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**Subject: Request for Applications (RFA); No. 690-01-002
Zimbabwe HIV/AIDS Orphans and Vulnerable Children**

Pursuant to the U.S. Foreign Assistance Act of 1961, as amended, the United States Agency for International Development (USAID) is seeking applications (proposals) from qualified U.S. organizations and institutions for support in developing and implementing Activity One "Sustained and Replicable Community Programs to Assist Children Affected by AIDS." This Activity comes under Intermediate Result (IR)/Results Package (RP) #3 "Enhanced Capacity at the Regional and Local Levels in Zimbabwe to Support Community Responses to Children Affected by HIV/AIDS" of USAID/Zimbabwe's HIV/AIDS Strategic Objective (SO). USAID anticipates awarding one 2.5 year cooperative agreement, in an amount not to exceed US\$2,500,000, subject to the availability of funds, to support Phase I of this Program as further described in Section A.204.201-3(a) of this RFA plus an additional estimated amount of Z\$50,466,000 to be used exclusively for the Scholarship Program.

USAID considers this requirement to be primarily assistance for a public purpose, rather than the acquisition of services. Accordingly, an assistance instrument, rather than a contractual relationship, has been determined to be the most appropriate mechanism for implementing the Program. USAID intends to be substantially involved in the implementation and performance of the program/award; therefore, a cooperative agreement (rather than a grant) is the appropriate form of assistance instrument.

The cooperative agreement will be administered in accordance with relevant U.S. Office of Management and Budget (OMB) Circulars; Mandatory and Required as Applicable Standard

Provisions for U.S. Nongovernmental Recipients; and 22 CFR 226 and USAID's Automated Directives System (ADS) Chapter 303, "Grants and Cooperative Agreements to Non-Governmental Organizations". These policies and regulations may be viewed and downloaded from USAID's web site <http://www.usaid.gov/pubs/ads/>.

While any type of organization or institution is eligible for award of the cooperative agreement, pursuant to 22 CFR 226.81 it is USAID policy that no fee/profit is payable under the cooperative agreement nor under any subagreements made thereunder (however, fee/profit is payable by the prime Recipient to a (sub)contractor if the Recipient is procuring goods or services in furtherance of the program being supported by the cooperative agreement). However, all reasonable, allocable, necessary, and allowable expenses, both direct and indirect, which are in accordance with the applicable cost principles (OMB Circular A-122 for non-profit organizations, OMB Circular A-21 for universities, and the Federal Acquisition Regulation (FAR) Part 31.2 for commercial organizations), may be paid under the cooperative agreement. A minimum of 25% cost-share (match) from non-federal funds is required by the prime and sub-recipient(s) under this RFA (See Section A.202 of this RFA).

To this end, this RFA is being issued and consists of this cover letter and the following documents:

<u>SECTION</u>	<u>TITLE</u>
A	PROGRAM DESCRIPTION
B	EVALUATION CRITERIA
C	SELECTION PROCESS
D	APPLICATION INSTRUCTIONS
E	POST-AWARD TECHNICAL REPORTS
F	SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS
G	CERTIFICATIONS
H	STANDARDS FOR USAID-FUNDED COMMUNICATIONS PRODUCTS
I	SPECIAL PROVISION ENTITLED "RESTRICTIONS ON LOBBYING"
J	STANDARD FORMS 424, 424A, and 424B
ANNEX 1	ZIMBABWE COUNTRY STRATEGIC PLAN (CSP) 2000-2005
ANNEX 2	DESIGN DOCUMENT
ANNEX 3	BACKGROUND PAPER ON CHILDREN AFFECTED BY AIDS IN ZIMBABWE

In the event of an inconsistency between the documents comprising this RFA, it shall be resolved by the following descending order of precedence:

- (a) Section E&F - Reporting Requirements & Substantial Involvement Understandings
- (b) Section D – Application Instructions
- (c) Section C – Selection Procedures
- (d) Section B – Evaluation Criteria
- (e) Section G – Certs & Assurances and Other Statements of Applicant/Grantee (including the Certs on SF-424B)
- (f) Standard Provisions (USAID’s web site <http://www.usaid.gov/pubs/ads/300/>)
- (g) Section H -Standards for USAID-Funded Communication Products
- (h) Section I – Special Provision entitled “Restriction on Lobbying”
- (i) Section J – SF-424 and SF-424A
- (j) Section A – Program Description
- (k) Annex 2 – Design Document
- (l) Annex 1 – Country Strategic Plan
- (m) Annex 3 – Background Paper on Children Affected by AIDS in Zimbabwe
- (n) Cover letter

For your convenience, this RFA can be viewed and downloaded via the internet. The USAID web site where this RFA can be found is:

http://www.usaid.gov/procurement_bus_opp/procurement/solicitation/.

If your organization decides to submit an application, it must be received no later than the time and date set forth above at the place designated below for receipt of applications. Applications received after the closing date and time or are incomplete or non-responsive may not be considered, except as described in Section D.104.1 of this RFA. Telegraphic, facsimile or electronic commerce applications and any revisions or modifications thereof, are not authorized and will not be accepted. Applications and any revisions or modifications thereof, shall be submitted in sealed envelopes with the name and address of the applicant and RFA No. 690-01-002 and title inscribed thereon, to:

(By Hand Delivery or Courier Mail)

Ms. Ruby Tawonezvi
Procurement Specialist
USAID/Zimbabwe
#1 Pascoe Avenue
Belgravia, Harare
ZIMBABWE
Telephone: 263-4- 252401

Applicants shall submit technical and cost portions of applications in separate volumes. The technical volume shall not make reference to cost or pricing data. Applicants shall submit an original and two copies of their application, but see Section D.109.2 of this RFA.

Applicants should retain a copy of their application, and any enclosures thereto, for their records.

Issuance of this RFA does not constitute a commitment by USAID to award a cooperative agreement, nor shall USAID pay for any costs incurred in the preparation and submission of any application. Further, USAID reserves the right to reject any or all applications received.

IMPORTANT: Please inform USAID by e-mail if you have downloaded this RFA. Send notices to pmanthe@usaid.gov. The subject line should read "690-01-002, Notice of Interest" and the message should provide a contact name, organization, address, telephone and fax numbers and e-mail address. This will allow USAID to notify you of any changes. Questions concerning this RFA should be submitted in writing not later than 20 March 2001 to pmanthe@usaid.gov via email, or by facsimile to (267) 324486 or by hand delivery to the address noted above. USAID intends to provide answers to questions in writing, which will be posted on the USAID web site as an amendment to this RFA. Answers will also be sent by e-mail.

We appreciate your interest in this Program and look forward to receipt of your application.

Sincerely,

Neil G. Price
Regional Agreement Officer
USAID/RCSA
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SECTION A – PROGRAM DESCRIPTION

A.1.

BACKGROUND AND CONTEXT

A.101

Summary

USAID/Zimbabwe seeks to assist Zimbabweans to mitigate the HIV/AIDS crisis. Zimbabwe is at the epicenter of the HIV/AIDS pandemic and is suffering from other economic and political crises. Past efforts by Zimbabweans, donors, and other partners have helped to ameliorate some of the effects of the AIDS epidemic, but have not succeeded in decreasing transmission of the HIV virus. Now, the U.S. Government (USG) is committing increasing resources and attention to HIV/AIDS. USAID/Zimbabwe has dedicated approximately half of its program budget to its Strategic Objective, “HIV/AIDS Crisis Mitigated.” In addition, the U.S. Centers for Disease Control and Prevention (CDC) is establishing an office in Harare for a partnership program with USAID and the Zimbabwean Ministry of Health (MOH). And greater priority and resources are expected to flow from other donors as well now that the United Nations and the European Union (EU), the World Bank and other donors are making HIV/AIDS a higher priority. In this context, USAID/Zimbabwe plans to undertake innovative activities, test new interventions, and make a commitment to defeating the epidemic at its epicenter. USAID/Zimbabwe seeks to reach beyond the sphere of health care and HIV/AIDS specialists to advocacy, policy-making, capacity-building, and community development, seizing this opportunity to make a difference in lessening the devastation that AIDS has wrought on Zimbabweans, and to assist them in mitigating the worst effects of the epidemic.

A.102.

Background

A.102.1

The HIV/AIDS Crisis in Zimbabwe

A.102.101 Zimbabwe is at the epicenter of the HIV/AIDS epidemic. Since 1985, Zimbabwe has experienced exponential increases in the number of people infected with HIV. By 1990, nearly 6,000 cumulative AIDS cases had been reported, 4,000 of which were reported in 1990. By the end of September 1999, a cumulative total of 80,759 AIDS cases had been reported. AIDS cases are grossly under-reported because of factors including the inaccessibility of HIV testing for most people, the social stigma that stops many from seeking a diagnosis for their illnesses, and the number of people who die before any official diagnosis of AIDS is made. Prevalence of the HIV virus is estimated to be extremely high in Zimbabwe, as confirmed by a number of recent surveys at local or regional levels. The highest levels of HIV are found in urban areas but rural rates are climbing to similar levels. Prevalence among women may be higher than men as has been reported elsewhere in Africa.

A.102.102 The “ZVITAMBO” (Zimbabwe Vitamin A for Mothers and Babies) Project found that 32% of 14,000 women tested at antenatal clinics in high density areas of Harare are HIV-positive, with 42% of women in the 25-34 age cohort being HIV-positive. A Behavior Training and Research Institute (BTRI) survey in 1999 of 4,000 households in rural Manicaland — from communal lands, commercial estates, and growth points — found that 28% of women and 21% of men were sero-positive.

A.102.103 About 92% of HIV transmission occurs through sexual intercourse; mother to child transmission (MTCT) accounts for 7% of all transmissions. About 75% of AIDS cases occur in adults aged 20-49 years. Females have significantly higher infection rates than males in

the 15-19 and 20-29 age groups (6 times and 2 times higher, respectively); male infection rates peak in the older age categories. The highest HIV prevalence is found among women aged 20-24 years of age. In major urban areas of Harare and Bulawayo, HIV prevalence among pregnant women attending antenatal clinics increased from 10% in 1989 to 32% in 1995. In smaller urban areas, antenatal prevalence increased from 8% in 1990 to 40% in 1995. In 1996, prevalence rates reached 47% in Masvingo, Chiredzi and Beitbridge.

A.102.104 It is currently estimated that 1.8 million Zimbabweans are living with HIV, of which approximately 90% are unaware of their HIV-positive status. By 2005, it is projected that 2 million Zimbabweans will be living with HIV. It will be difficult for the health care system to deal with the epidemic as it expands further in the coming years. Presently, more than 50% of hospital beds are occupied by patients with AIDS, and 1,200 people die every week of AIDS-related conditions. AIDS cases account for at least 50% of deaths among children under age five. It is projected that 1.2 million Zimbabweans will have died from AIDS by 2005.

A.102.2 The Economic and Social Impact of AIDS

A.102.201 The United Nations AIDS Program (UNAIDS) estimates that the total costs of AIDS in Zimbabwe could increase from 4% to 15% of Gross Domestic Product (GDP) between 1991 and 2000. Economic simulations suggest that the GDP in Zimbabwe will be 14.5% smaller in the year 2005 than it would be without AIDS. The epidemic will have devastating impact on the ability of poor households to meet the costs of care and the loss of resources and income following the death of a family member. Businesses and commercial farms are expected to see decreasing productivity as trained and experienced workers are lost to the epidemic.

A.102.202 Official estimates of the number of children orphaned as a result of HIV/AIDS suggests an impending calamity. The Zimbabwean National AIDS Control Program (NACP) projects that, by the end of 2000 in Zimbabwe, 543,000 children will be maternal or double orphans due to HIV/AIDS, reaching 1.1 million by 2005 (33% of children under 15) and likely to continue to increase for several years. These figures do not adequately reflect the magnitude of the problem, since they do not include children who are affected by HIV/AIDS because they are living with parents who are ill, or in families that have assumed the additional economic and psychosocial burden of caring for additional children.

A.102.3 Zimbabweans' Response to the Epidemic

A.102.301 Like many other African countries, Zimbabwe has struggled to meet the challenge of the HIV/AIDS epidemic in a context of decreasing resources and slow economic growth. The NACP, situated within the MOH, has coordinated the national response to HIV/AIDS. Recent NACP activities include development and provision of voluntary counseling and testing (VCT) services, HIV/AIDS policy development (approved at national level), comprehensive training and treatment for sexually transmitted illnesses (STIs), HIV surveillance activities, and overall HIV/AIDS coordination. However, the NACP's annual budget allocation has not been adequate to cover its costs.

A.102.301.1 By Act of Parliament in 1999, the National AIDS Council (NAC) was created to coordinate national AIDS activities. The NAC is a semi-autonomous, multi-sectoral organization with broad-level representation from Zimbabwean society. Its stated purpose is to coordinate the response to the epidemic by the government, private sector, NGOs, churches, communities including People Living with AIDS (PLWAs), in pursuit of the objectives of the

National AIDS Policy. However, at the end of 2000, one year after its creation, the Director of the NAC had not been officially appointed, and recruitment of key staff was pending. The NAC has the potential to provide support and guidance for responses to the epidemic, even at the local/community level.

A.102.301.2 In December 1999, the Government of Zimbabwe (GOZ) officially launched its first comprehensive National AIDS Policy¹, whose development USAID supported. The National AIDS Policy lays out clear guidance on issues surrounding Children Affected by AIDS, and is based on widespread consultation with Zimbabwean stakeholders and technical experts. Although the policy has been disseminated, it has yet to be implemented. Nevertheless, it is important that AIDS initiatives in Zimbabwe be cognizant of its existence, follow its guidance, and promote its implementation, even at the community level, to ensure a coordinated approach to AIDS.

A.102.301.3 Two other critical elements of the GOZ response are the AIDS Levy and the National AIDS Trust Fund (NATF), both created in 1999. The AIDS Levy is a 3% payroll tax on all Zimbabweans, intended to support AIDS initiatives on the part of government, private sector, churches, NGOs, communities, including PLWAs, the media, and international organizations. In a short time, the Levy has accumulated hundreds of millions of Zimbabwe dollars, the vast majority of which remains in the NATF due to delays in establishment of a functional NAC. The Levy and NATF are nonetheless important elements to be considered in any AIDS mitigation strategy, from the national to the local level. Communities and Community Based Organizations (CBOs) may not have immediate access to the NATF in Phase I. However, it is likely that by Phase II NATF funding could leverage contributions from communities and other donors, or vice versa. This could be a critical resource in the Phase II replication efforts. Strategies should reflect understanding of the Levy and NATF.

A.102.302 Once hailed as the strongest in Africa, Zimbabwe's public health delivery system has been weakened severely by the combined impact of economic recession and the HIV/AIDS epidemic. In 1990, real per capita expenditure for health was US\$22. By 1996, it had dropped to US\$11 and has continued to fall. Quality of care in most public sector facilities is increasingly problematic. Essential drugs have become less accessible due to budgetary decreases and a lack of foreign currency. It is widely believed that user fees have resulted in decreased attendance at clinics. An exodus of highly qualified health care professionals who have moved to other countries where salaries are considerably higher has also crippled the public health care sector. The low morale among doctors and nurses has been manifested by a number of strikes, and threatened strikes, since 1997.

A.102.303 Numerous non-governmental organizations (NGOs) and community groups have sought to fill the gap left by the health care system through the provision of support to people living with AIDS and children affected by AIDS. The Zimbabwe AIDS Network (ZAN) lists approximately 120 member organizations, most with full-time employees (up to 40 staff) involved in HIV/AIDS initiatives. Organizations are predominantly mission hospitals and clinics (50), AIDS and HIV-related service organizations (30), NGOs (30) and private sector organizations (10). Most programs rely on unpaid volunteers who are given limited autonomy. Most are donor-supported, which can lead to a lack of community accountability. Most NGOs

¹ Limited hard copies of the National AIDS Policy document can be obtained from the USAID/Zimbabwe office in Harare. Interested applicants should contact Ms. Joyce Maziya.

involved with ZAN are involved in awareness-raising and provide home care services through volunteers; most also provide HIV/AIDS information and counseling; and over half provide pastoral support, nursing care, medical supplies, and patient referrals. Many NGOs supply training for caregivers and support to self-help activities. Most NGOs directly implement care, rather than establish partnerships with community groups. As a result, home care coverage is low. Few NGOs are involved in best-practice prevention activities which combine peer education, behavioral approaches, and condom provision.

A.102.4 The Current Economic and Political Crises

A.102.401 In recent years, Zimbabwe has entered into a downward spiral of economic and governance crises that have increased the vulnerability to HIV/AIDS of disadvantaged and marginal groups. Since 1981, real GDP per capita growth in Zimbabwe has averaged minus 0.37 percent. In 1998, real GDP per capita (Z\$2,350) was only barely higher than at independence in 1980 (Z\$1,980), and 7.5 percent lower than in 1975. In 1998, inflation rapidly increased to average 31.7 percent; in 1999, inflation averaged 59.8 percent. By June 2000, inflation stood at 64 percent with no improvement in sight. During this same period, the value of the Zimbabwe Dollar (Z\$) declined precipitously, from Z\$16.75:US\$1 in December 1997 to Z\$38.4 in September 1999. In October 2000, it was officially valued at Z\$54:US\$1 although the parallel market rate is approaching Z\$70:US\$1. According to a 1999 United Nations Development Program (UNDP) Human Development Report, 41 percent of Zimbabweans are living on less than US\$1 a day. However, current estimates put that number as high as 75 percent. As the price of food and other essential commodities continues to skyrocket -- with increases averaging over 100 percent this year alone -- these already meager incomes have been steadily eroded.

A.102.402 Part of the blame for these deteriorating conditions lies with structural faults in the Zimbabwean economy. Extreme inequalities in distribution of land and other resources characterize the economy.

A.102.403 Much of the land is held by white commercial farmers producing export goods, while rural Communal Areas (today's remnants of the Tribal Areas established under colonial rule) support 5.6 million peasants trying to eke out a living on 1.6 million hectares of largely marginal lands. Average farm size continues to shrink in these areas. Moreover, in these more marginal agricultural regions, an average of two out of every five harvests fail, as farmers are increasingly faced with inclement weather conditions and unfavorable market terms. Redistribution of land in an orderly and lawful manner to the poor majority is a vital and necessary step to rejuvenating the economy.

A.102.404 Both under-employment and unemployment in the cities -- currently estimated as high as at least 60 percent -- continues to increase as over 250,000 new job-seekers enter the market each year. Yet the formal sector only provides an average of some 25,000 new jobs annually, creating a burgeoning cohort of increasingly frustrated, yet relatively well-educated youth. Small- and micro-enterprises in the informal sector are becoming the only viable alternative for providing income and employment for the poor majority.

A.102.405 Part of the blame for these deteriorating economic conditions lies with the conditions for governance in Zimbabwe. The lack of effective political and economic dialogue between civil society organizations and the government is a key problem, as civil society organizations do not have the capacity to effectively advocate to the government nor hold it

accountable, and government institutions do not have effective processes for channeling and responding to society's demands to resolve peacefully the critical issues facing the country.

A.102.406 In early 2000, these economic and political crises came to a head with the combined factors of a deepening foreign currency shortage associated with public sector profligacy, Zimbabwe's intervention in the civil war in the Democratic Republic of Congo (DROC), and a widening gap between the official and parallel exchange rates; shortages of fuel and electricity; invasions of commercial farms by war veterans and unemployed youth; and extensive violence associated with the first parliamentary elections contested by the ruling party and the opposition in all constituencies of Zimbabwe. Now that the election is over and there is a viable opposition in Parliament, the challenge will be for the government to find a way to solve the political and economic crisis that the nation faces.

A.102.5 Prospects for the Medium-Term Future

A.102.501 Alarming as the current situation is, the full impact of the HIV/AIDS epidemic and other crises have yet to be felt. The extremely high prevalence indicates high transmission for years to come. Mortality rates will continue to escalate in the coming years. The number of orphans is expected to swell; estimates suggest that 35% of Zimbabwean children will be orphaned by 2010 compared to about 6% in a normal African setting.

A.102.502 The AIDS epidemic and the accompanying economic crisis will have a negatively synergistic effect. The epidemic is expected to reduce productivity and to create an enormous human and financial burden on the health care, education, and welfare systems. At the same time, the AIDS epidemic will stop most families from saving money or from investing in long-term productive systems such as education for their children. The epidemic has the potential to defeat efforts to restore macro- and micro-economic and political stability in Zimbabwe.

A.102.6 USAID's Response to Date

Since 1994, USAID/Zimbabwe's HIV/AIDS strategy has been to encourage responsible behavior change. The strategy comprised a comprehensive range of communications activities that targeted high-risk populations in the commercial farms, the transport industry, the military, and the private sector. Mass media campaigns targeted the general population, while youth were targeted via an HIV/AIDS education course that was added to the school curriculum. Over the last few years, this strategy contributed to near-universal awareness; most studies show that at least 98 percent of the general population is aware of HIV/AIDS. However, this approach met with limited success in reducing prevalence because high awareness did not lead to behavior change.

A.102.7 USAID/Zimbabwe's New Strategy

A.102.701 A new strategy and new resources for combating HIV/AIDS in Zimbabwe have been developed within the overall context of USAID's new Country Strategic Plan (CSP) for the years 2000-2005, approved by USAID/Washington in April 1999 (see Annex 2 of this RFA²).

² Annex 2 is an abridged copy of USAID/Zimbabwe's CSP. The unabridged version is restricted to U.S. Government use only. Upon request, applicants will be provided on-the-premises access to the unabridged CSP either at the USAID offices in Washington or Harare; such access will not include discussions with USAID about the program

The new country strategy seeks to prevent worsening of Zimbabwe's social, economic, and political crises over the course of the strategy period. The program goal is: "Supporting Zimbabweans' access to greater and more equitable benefits from their nation's social, political, and economic development." The strategy is based on achievement of three objectives:

Strategic Objective: Enhanced Citizens' Participation in Economic and Political Decision-Making

Strategic Objective: HIV/AIDS Crisis Mitigated

Special Objective: Access to Economic Opportunity for Disadvantaged Groups Expanded

A.102.702 The three objectives of the CSP are closely inter-linked. The "Participation" Strategic Objective will complement the HIV/AIDS Strategic Objective (SO) by supporting Civil Society Organization's (CSO's)³ that advocate to Parliament for HIV-related issues. The "Economic Opportunity" Special Objective (SpO) will provide microfinance to communities and children affected by the HIV/AIDS epidemic. The microfinance SpO team will work closely with the HIV/AIDS SO team to determine criteria for selecting microfinance projects for youth affected by HIV/AIDS.

A.102.8 The HIV/AIDS Strategic Objective

A.102.801 The HIV/AIDS SO focuses on helping Zimbabweans to mitigate the impact of the HIV/AIDS social crisis. Only Zimbabweans can fully understand the cultural and social context in which this epidemic has emerged; only Zimbabweans can change the cultural and social norms and behavior that facilitate its transmission. Although imported, "cookie cutter" approaches are not the answer, there are a number of interventions that have been shown to be effective in mitigating the disease in various settings, both in Zimbabwe and elsewhere. These "best practices" can be adopted and adapted to the local context. USAID is already assisting Zimbabwe to introduce some of these practices, such as VCT. These and other best practices will be expanded over the strategy period with a goal to reducing the HIV prevalence rate among targeted age groups.

A.102.802 A critical factor in supporting behavioral change will be increased ability of Zimbabweans fighting the epidemic to advocate for greater resources and to challenge the stigma currently associated with AIDS. USAID will support HIV/AIDS NGOs, public sector organizations, and church groups with capacity-building programs to improve their ability to advocate and set policy. At the same time, USAID will seek to support those community groups that have struggled to support children affected by AIDS by improving their capacity to deliver support services. USAID/Zimbabwe estimates that approximately US\$35 million will be made available during the strategy period for achievement of the HIV/AIDS Strategic Objective.

contained in this RFA. Contact persons at each location are Mr. Naidoo Nyoni (USAID/Zimbabwe) and Ms. Nan Newman (USAID/Washington). Mr. Nyoni may be reached at USAID/Zimbabwe, 1 Pascoe Avenue, Belgravia, Harare, Zimbabwe; telephone: 263-4-252401; e-mail: nnyoni@usaid.gov. Ms. Newman may be reached at (202) 712-1963; e-mail: nnewman@usaid.gov. Upon award of the cooperative agreement resulting from this solicitation, the unabridged version of the CSP is incorporated by reference and made a part of the cooperative agreement.

³ Civic Society Organization's is a broad term that includes non-governmental actors such as NGOs, church groups, trade unions, beneficiary organizations, business associations, universities and media organizations.

A.102.803 The HIV/AIDS SO will be achieved by accomplishment of three intermediate results (IRs) through three corresponding Results Packages (RPs), plus a fourth Results Package for USAID management, analysis, and evaluation activities:

A.102.803-1 Intermediate Result/Results Package #1. IR-1 is “Behavior Change Resulting From Use Of Quality Services With Proven Effectiveness To Prevent HIV Transmission And Mitigate Impact At The Household Level.” Accomplishment of IR-1 will lead to behavior change that will slow or reverse the increase in the HIV/AIDS prevalence rate. RP-1 currently consists of four activities: (1) investment into and expansion of coverage by VCT centers; (2) broadening of the role of community-based distributors of contraceptives; (3) social marketing of condoms and contraceptives; and (4) sustainable supply of contraceptives. All activities but the procurement of contraceptives will be implemented via a cooperative agreement with an organization experienced in these activities in Zimbabwe. USAID/Washington will procure contraceptives through field support.

A.102.803-2 Intermediate Result/Results Package #2. IR-2 is “Enhanced Capacity To Conduct Advocacy To Prevent HIV Transmission And Mitigate Impact At The National Level.” Accomplishment of IR-2 will increase Zimbabweans’ control over the progress of the epidemic, and will be critical to ensuring that decreases in prevalence rates are sustained and broad-based. RP-2 consists of the following activities: (1) policy development in the public sector which strengthens government understanding of policy effectiveness in designing and implementing policy; (2) strengthening civil society organizations’ (CSOs’) ability to advocate to create an effective interface between public and private institutions for better policies related to HIV/AIDS; and (3) a complementary activity funded and implemented by the CDC (in collaboration with the MOH) will improve HIV surveillance systems. The surveillance data will provide accurate and up-to-date information for stronger and more effective policy.

A.102.803-3 Intermediate Result/Results Package #3. IR-3 is “Enhanced Capacity At The Regional And Local Levels in Zimbabwe to Support Community Responses To Children Affected By HIV/AIDS.” Accomplishment of IR-3 will help to establish models and policies that can ensure that social and economic conditions over the next two decades do not deteriorate so significantly that crises overwhelm the ability of Zimbabweans to reduce prevalence. RP-3 consists of two activities: (1) sustained and replicable community programs to assist children affected by AIDS; and (2) a complementary activity implemented by USAID/Zimbabwe’s Economic Opportunity SpO team to increase economic opportunity for youth affected by AIDS by providing microfinance services and business skills training.⁴ **The applicants of this RFA are requested to submit applications on the first activity in IR-3 which includes community interventions and a scholarship program.**

A.102.803-4 Results Package #4. RP-4 consists of financing for management (including HIV/AIDS SO team staff), analyses, evaluations, and audits necessary to ensure sound and prudent management of the program. Specific analyses planned at this time include an assessment of and assistance to public sector institutions with a view to improving their efficiency, effectiveness and transparent management of the National AIDS Trust Fund; and the Demographic Health Survey (DHS) to be implemented in Fiscal Year 2004.

⁴ The second activity under RP#3 is currently being competed under RFP No. 690-00-004, issued on 24 May 2000.

A.102.803-5 The Results Package Chart and RP Framework for HIV/AIDS SO and accompanying IRs are presented on the next two pages.

A.2. **PROGRAM DESCRIPTION**

A.201 Purpose of RFA

The purpose of this RFA is to solicit applications (proposals) for a cooperative agreement in support of the implementation of the first activity (“Sustained And Replicable Community Programs To Assist Children Affected By AIDS”) under IR-3 (“Enhanced Capacity At The Regional And Local Levels in Zimbabwe to Support Community Responses To Children Affected By HIV/AIDS”), as described below.

A.202 Cost-Sharing (Matching)

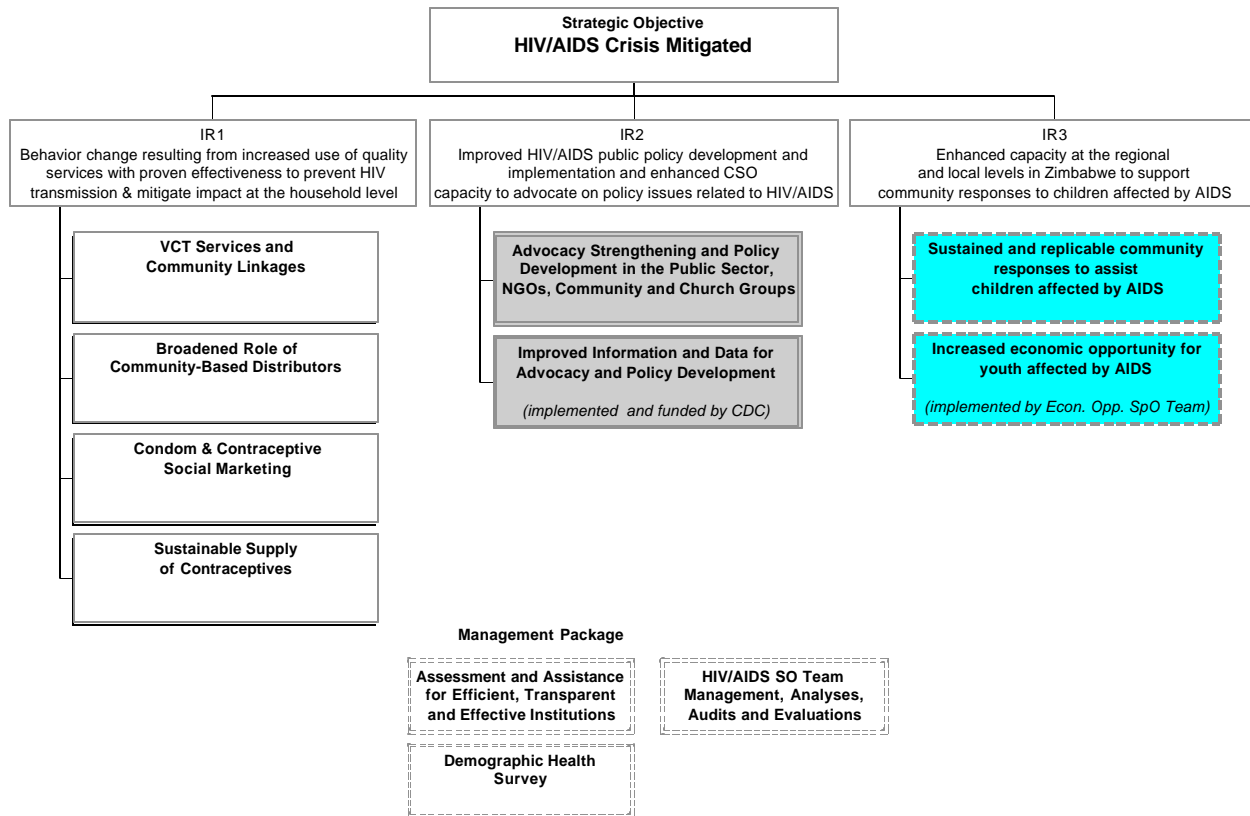
A minimum of 25% of the total program cost (excluding the Scholarship Program described in Section A.204.202 below) must be cost-shared (matched) by the recipient of the cooperative agreement and/or others, from non-federal funds. In-kind contributions are acceptable, provided that they qualify under 22 CFR 226.23.

A.203 Background on Children Affected by HIV/AIDS

A.203.1 Impact of HIV/AIDS on Zimbabwean Children

A.203.101 Children are affected by HIV/AIDS long before a parent dies. Children, especially those in overcrowded urban and estate settings, directly experience the painful and undignified suffering of a parent dying in a poverty-stricken home. Depression and anxiety are common in affected children, exacerbated by stigmatization and abuse. When parents die, children may be left living alone or in the care of an elderly grandparent, or they may be forced to move into another relative’s household. They may be separated from their siblings. School attendance is affected before and after parental death as a result of increased care responsibilities, economic hardship, and the need for children’s wages from domestic work or other labor. The death of the father is particularly likely to use up the family’s scarce savings, and parental death may be followed by further erosion in the family’s assets through property grabbing. Children affected by HIV/AIDS are more likely than other children to be out-of-school, and young children are more likely to be stunted due to lack of food.

SO Results Chart



SO RESULTS FRAMEWORK

Strategic Objective: HIV/AIDS Crisis Mitigated

Indicators:

- HIV prevalence in 15-19 age cohort
- AIDS Policy Index
- Regular visits by volunteers to households with vulnerable children

IR 1: Behavior Change Resulting From Use Of Quality Services With Proven Effectiveness To Prevent HIV Transmission And Mitigate Impact At The Household Level	IR 2: Improved HIV/AIDS public policy development and implementation and enhanced CSO capacity to advocate on policy issues related to HIV/AIDS	IR 3: Enhanced Capacity At The Regional And Local Levels in Zimbabwe to Support Community Responses To Children Affected By HIV/AIDS
<p>Key Assumptions:</p> <ul style="list-style-type: none"> - <i>DFID funds public sector condom procurement, and condoms and contraceptives for social marketing activity.</i> - <i>STI drugs available in public sector.</i> <p><u>Proposed Indicators:</u></p> <ul style="list-style-type: none"> • Condom use with casual partners • Number of People Tested at a VCT Center • Percent of Clients Reporting Satisfaction with VCT Services • Follow-up support visits made by VCT clients • Number of clients visiting VCT center on recommendation of community-based distributor. • Number of condoms sold through social marketing program • Contraceptive Prevalence Rate • Socially marketed contraceptive sales by type 	<p>Key Assumptions:</p> <ul style="list-style-type: none"> -<i>GOZ shows continued commitment by resource allocation (e.g., tax levy; NAC)</i> <p><u>Proposed Indicators:</u></p> <ul style="list-style-type: none"> • Number of organizations involved in HIV/AIDS advocacy • Number of targeted NGOs that show improvement in Advocacy Index • Improved media coverage 	<p>Key Assumptions:</p> <ul style="list-style-type: none"> -<i>Continued community commitment to children affected by AIDS.</i> - <i>Participatory national situational analysis carried out by other donors</i> -<i>Child Welfare Forums functional</i> <p><u>Proposed Indicators:</u></p> <ul style="list-style-type: none"> • No. of community programs increasing in community capacity score by X% • No. of schools involved in resource-exchange-for-scholarship initiatives <p>OR</p> <ul style="list-style-type: none"> • No. of school fees paid to schools for children on community registers of children in need. • Percentage of scholarship recipients at primary and secondary levels who are girls • Child Welfare Forum Score

A.203.102 Children affected by AIDS share many problems with other children in especially difficult circumstances. Quantitatively, as the number of children without parents continues to grow, traditional extended family support structures are becoming saturated and their ability to function is threatened. Children who slip through the extended family safety net are likely to become street children, child laborers, or become HIV-infected through exploitation, early marriage with older men, or the exchange of sex for money or other material support.

A.203.103 Providing assistance to children affected by AIDS and other vulnerable children in Zimbabwe is more than a vital humanitarian effort; it is society's most critical investment for the future. National development is contingent on human resources, and in less than a decade, AIDS will directly affect more than a third of that future resource base. These children are also highly vulnerable to infection. Care for these children is a requisite for protecting them from HIV-infection. Protection will only be effective if they have access to the social and logistic support of their community, health care, education, a basic quality of life, and their human rights.

A.203.2 Nongovernmental Organizations' (NGOs') Responses

A.203.201 Over 100 community groups, mostly churches, have responded to the plight of AIDS orphans. These responses also focus on the needs of other vulnerable children, including children living with ill parents. Women who volunteer to visit households most in need -- such as those headed by children or elderly women -- are the backbone of these organizations. Often, a close relationship evolves between the household members and the volunteer. Involvement of the volunteer lessens the likelihood of abuse, enables guidance to be given to children and caregivers, and provides a contact in the event of family crisis.

A.203.202 Most community initiatives also provide material support to households identified by the volunteers as having the greatest need. Few initiatives receive external funding, and since most of the volunteers are poor themselves, the poor support the destitute. Some start income-generating projects to raise money for school fees for orphans. The issue of overburdening volunteers who must work to care for their own families is a common concern for these programs. Nevertheless, volunteer motivation is high and drop-out rates are low, even in the absence of material incentives.

A.203.203 Efforts to provide care and support to children affected by AIDS sprung from many roots. Some are built on the strengthening of traditional structures. Some people who are living with AIDS have established orphan support programs for dependents of deceased members.

A.203.204 Some NGOs provide small amounts of material support (US\$1-2 per child per year) to community groups. Others play an umbrella role, such as Hope for a Child in Christ (HOCIC), which consists of over 35 community programs in churches representing 18 different denominations in Bulawayo. The Farm Orphan Support Trust (FOST) is an umbrella organization that supports activities that focus on vulnerable children living on commercial farms. External resources are usually provided as support to the wider community rather than to members of one church or group. However, there are difficulties when poor volunteers who care for their own children are asked to act as conduits for material support to equally poor children in need.

A.203.205 Some “intermediary” NGOs provide capacity building to other organizations and play a particularly important strategic role in multiplying programs that support children affected by AIDS. Growth of these programs has been substantial. The Bethany Project, a church-based program in a rural district, was established in 1996 with 30 child support volunteers in one ward. It now has 656 volunteers and supports approximately 4000 orphans and vulnerable children. Most successful expansion is the result of replication, not scaling-up. The critical feature of effective programs is their community base.

The Child Welfare Forum (CWF) is a relatively new multi-sectoral structure intended to function at the national, provincial, district and community levels. At each level, the CWF would include representation from child-orientated government ministries, NGOs, churches, and community groups. However, it is important to note that few CWFs are operational as yet. The concept of involving broad panels of child welfare experts and advocates to help coordinate and guide community response to AIDS is logical and intrinsically appealing. However, the potential and ultimate effectiveness of CWFs, as well as their legal status (governmental or quasi-governmental) remains unclear. Criteria for selection of at least some of the pilot areas should include the level of functionality of CWFs. Strong CWFs should be tested as models for Phase II. Weak pilot area CWFs may need to be strengthened. The CWF will need to be strengthened at the village level. CBOs that apply to manage the scholarship program will need to meet criteria for participatory approaches to the school community and familiarity with the communities, which they propose to assist, as well as management capacity.

A.203.206 In addition to community initiatives for providing support to vulnerable children, there are over 50 programs that are outgrowths of mission hospitals, AIDS service organizations, and NGO home care programs. Often, these programs have no strategy regarding their approach to children affected by HIV/AIDS.

A.203.3 Government Responses

A.203.301 The Department of Social Welfare (DSW) has authority and responsibility for children affected by AIDS, but it lacks the human resources and vehicles for supervision and field visits to make an impact. Some districts currently have no social welfare officers and a number of posts are unfilled or frozen by the Treasury. Social welfare officers are over-burdened with public assistance, war veteran activities, drought relief, administration of the Social Safety-Net Fund, as well as child welfare, foster care, and school and health fees. With the realization they cannot reach all those in need, the DSW has emphasized a community-based care approach. Of the approximately 600,000 orphans in Zimbabwe, the community is supporting the majority of them, even though they themselves are hampered by poverty.

A.203.302 The legal framework for vulnerable children is in the process of being updated and will have to be monitored to adapt to the changing environment. The DSW’s percentage of the total government budget averages approximately 1% and falls far short of the DSW’s current financial needs. Even funds made available by the Government of Zimbabwe (GOZ) cannot be fully utilized due to the lack of human resources. Most of the Department’s funds for child welfare are designated for institutional care, though less than 0.2% of orphans are currently accommodated in institutions. The development and implementation of policy within the DSW is of major importance in addressing the needs of children affected by HIV/AIDS in Zimbabwe.

A.203.4 Rationale for Supporting Community Programs and for Increasing the Capacity of Communities to Respond to the HIV/AIDS Epidemic

A.203.401 The GOZ acknowledges that it cannot cope alone with the large number of children affected. Thus, increased donor involvement will be necessary to begin to address the growing needs of these children and their families. Optimal use of available resources is critical to marshal the needed level of response to the devastating effects of HIV/AIDS on growing numbers of children.

A.203.402 Current efforts to address the needs of children affected by HIV/AIDS are fragmented. There is a lack of networking and sharing of information. This interferes with the ability of government, donors, and program implementers to learn from similar activities. It also interferes with replicating or adapting successful responses in other areas, *i.e.*, scaling-out of successful efforts. Coordination, information sharing, and collaboration will strengthen the effectiveness of the response to mitigate the HIV/AIDS crisis.

A.203.403 One of the main reasons given by donors for their hesitation to become involved in this type of activity is a lack of reliable implementation mechanisms. USAID's proposed focus on enhancing capacity at the regional and local level to support community responses to children and families affected by HIV/AIDS would fill a gap not currently addressed by other donors.

A.203.404 Community responses to children affected by AIDS contribute directly to mitigating the HIV/AIDS crisis. Extended families and communities are the first line of response in providing care and support to children and their families when a parent is ill or after a parent has died as a result of HIV/AIDS, thereby mitigating the impact of the disease for those who are affected. However, as the number of people who are becoming ill and dying increases, these safety nets are being stretched beyond their capacity to continue to provide this support. IR/RP-3, and the cooperative agreement to be awarded as a result of this RFA, focuses on increasing the capacity of responding communities so that they are better able to mitigate the impact of HIV/AIDS.

A.203.405 In addition, the synergy between care activities and prevention efforts could further mitigate the HIV/AIDS crisis by preventing new infections. Where denial about the disease exists, as is the case in many parts of Zimbabwe, prevention efforts are impeded. As communities respond to the needs of children and their families who are affected by HIV/AIDS, their involvement in prevention efforts will be encouraged. Furthermore, community mobilization to provide support forces recognition of the disease and reduces denial. As denial gives way to acknowledgement, there is expanded opportunity for effective prevention.

A.203.406 Accomplishment of the first activity ("Sustained And Replicable Community Programs To Assist Children Affected By AIDS") under IR-3 ("Enhanced Capacity At The Regional And Local Levels in Zimbabwe to Support Community Responses To Children Affected By HIV/AIDS") will assist USAID/Zimbabwe in its achievement of IR-3 under the HIV/AIDS Strategic Objective.

A.204 Scope of Cooperative Agreement

A.204.1 Overview

A.204.101 The challenges facing children and families affected by AIDS are not uniform and the responses to help them must be specific to their needs and circumstances. Community design and management are the most effective and efficient programming responses because centralized programs cannot be responsive enough to the rapid changes that children and communities are experiencing. Community programs are typically low cost, relying on volunteers, and more sustainable than other options -- a crucial consideration in light of the rapid growth of this problem. Sustainability and adaptability are essential to USAID/Zimbabwe's design, because long after the incidence of HIV/AIDS peaks in a population, the number of children affected by the disease will continue to rise.

A.204.102 Throughout Zimbabwe, there are community-based organizations (CBOs) that provide support to vulnerable children and their families. The enormity of needs that these CBOs are trying to address threatens their ability to provide even minimal support. Material resources and innovative models for assistance are desperately needed. CBOs must build their capacities in order to sustain and improve the work they do. Community mobilization, participatory learning approaches, skills training, microfinance and income- generating activities, HIV prevention, and home-based care are just some of the needs that have been identified as features that can be strengthened in many CBOs.

A.204.103 The cooperative agreement to be awarded as a result of this RFA, will support an umbrella program of small sub-agreements and/or (sub)contracts and technical assistance and training for CBOs in order to strengthen their capacity to deliver and sustain current community efforts to help children affected by AIDS. Small sub-agreements and (sub)contracts and technical advice and training on best practices will also be offered to CBOs not currently assisting communities and children affected by AIDS as incentives for them to begin work on behalf of children affected by AIDS. Networking and technical exchanges to share strategies, best practices, and lessons learned will also be supported. Scholarships for school fees and other educational costs will help to address a major constraint faced by children, families, and communities responding to the needs of children affected by AIDS. The recipient of the cooperative agreement will implement the best technical approach(es) that will achieve the first activity. *i.e.*, the most appropriate mix of technical expertise, training, sub-agreements and (sub) contracts, and the design and management of a scholarship fund to be targeted to children affected by AIDS, especially girls at the primary and secondary levels.

A.204.104 This RFA solicits applications for Phase-I of a program of assistance to CBOs (*i.e.*, small sub-agreements and/or (sub)contracts and technical assistance/training) and a program of support for education of children affected by AIDS (*i.e.*, a scholarship program), as described in Section A.204.202 below. The recipient of the cooperative agreement awarded as a result of this RFA will also provide performance monitoring; reporting; and consultation, coordination, and cooperation as described in Sections A.204.3, A.204.4, and A.204.5, respectively, below.

A.204.105 The recipient will also address how boys and girls or women and men are affected differently by the context or work to be undertaken. The recipient shall use appropriate gender-sensitive methodologies in all activities.

A.204.106 The recipient will also, at all times, consider the issues and concerns described in Section A.204.203 below.

A.204.2 USAID/Zimbabwe's Design

A.204.201 Assistance to Community-Based Organizations: Small Sub-Agreements/ (Sub)-contracts and Technical Assistance/Training

A.204.201-1 This activity will begin cautiously, due to the many concerns that donor intervention in this sector could be disastrous (see Section A.204.203 below). In Phase-I, the recipient will test pilot interventions for sustainability and adaptability. Near the end of Phase-I, an impact assessment will be carried-out by USAID under arrangements separate from the cooperative agreement funding (using RP#4 funds). The recipient will also submit a proposal for amendment of the cooperative agreement, or award of a new follow-on grant or cooperative agreement (see paragraph E.206 "Post-Award Technical Reports," in Section E. of this RFA), in order to support the implementation of Phase-II. Under Phase-II, if approved, the recipient will replicate successful interventions in appropriate contexts throughout Zimbabwe to expand the program nationally. The proposal for Phase-II will be reviewed in a participatory process by USAID, the recipient, and other partners to determine next steps for replication in Phase-II.

A.204.201-2 Phase-I will be for 2.5 years, and will not exceed US\$2,500,000 and an additional estimated amount of Z\$50,466,000 will be provided exclusively for the Scholarship fund described in Section A.204.202 below for that same period. The scholarship fund is funded by local currency owned by the Government of Zimbabwe and jointly managed by USAID and the GOZ Ministry of Finance. If the cooperative agreement is amended, or a new follow-on grant or cooperative agreement is awarded for Phase-II, the recipient will implement Phase-II through 30 September 2005. The amount of funding available for Phase-II is not currently known, but will be made known to the recipient prior to submission of the proposal for Phase-II. The scholarship program may also be continued subject to agreement of the GOZ and the availability of local currency funds.

A.204.201-3 The following describes Phase-I and Phase-II:

A.204.201-3(a) Phase-I: Testing Pilot Interventions for Sustainability and Adaptability

A.204.201-3(a)(1) Under Phase-I, the recipient will conduct a situation analysis to determine vulnerabilities and capacities of communities and community-based organizations providing support to children affected by AIDS in order to ensure that the relief aspects of this program do not do more harm than good. The recipient will also establish a participatory process for selecting pilot sites in which to test different intervention/support strategies in different contexts, while conducting extensive operations research to determine the viability of the different strategies. Because of the numerous concerns about the potential negative effect of donor intervention into a functioning community-based support system (see Section A.204.203 below), an important element of testing the pilot interventions will be determining their impact on the existing traditional support mechanisms. It will be critical to fully test all different intervention strategies in different conditions with a view to avoiding the pitfalls listed in Section A.204.203

below. Thus, the pilot phase will rely on extensive research and monitoring before moving into the replication phase (Phase-II). The Design Document (see Annex 1 of this RFA) suggests eight pilot sites in eight different regions, but the applicant is not bound by this figure and will implement the number of pilots deemed appropriate for testing interventions, subject to funding limitations. The recipient may also choose to combine the situation analysis with the pilot selection process. At the pilot sites, the recipient will provide different mixes of technical expertise, training, workshops, sub-agreements, or (sub)contracts as appropriate to build the capacity of community-based organizations that are supporting children affected by AIDS.

A.204.201-3(a)(2) For all sub-agreements and (sub)contracts, the recipient will administer the entire solicitation, proposal review, award, payment/disbursement, financial tracking, results reporting, and post-award administration, including closeout. The CTO's only roles will be: (a) final approval of selected sub-recipients and (sub)contractors prior to award; (b) receipt of quarterly financial and progress reports; and (c) receipt of annual results reports of sub-recipients and sub(contractors), as appropriate, for the capacity level of community-based organizations (see paragraph F.104, "Substantial Involvement Understandings," and paragraph E.205, "Post-Award Technical Reports," of Sections F and E of this RFA).

A.204.201-3(a)(3) In awarding and administering sub-agreements under the cooperative agreement, the recipient shall comply in all material respects with USAID's Automated Directives System (ADS) Part 303 (ADS-303), as well as 22 CFR 226 to the extent that it may be relevant to such sub-agreements. However, the sub-agreements must enable USAID, through the recipient, to terminate the sub-agreement activities unilaterally in extraordinary circumstances. The CTO must approve the selection of all subrecipients (see paragraph F.104-1., "Substantial Involvement Understandings," of Section F. of this RFA). All sub-agreements must be closed-out by the recipient prior to the estimated completion date of the cooperative agreement. The recipient shall comply in all material respects with Contract Information Bulletin (CIB) 90-12 regarding grant/cooperative agreement close-out.

A.204.201-3(a)(4) If the recipient awards (sub)contracts under the cooperative agreement for the purpose of assisting community groups (as opposed to awarding a (sub)contract as part of the applicant's/recipient's teaming arrangement for implementation of the cooperative agreement), the recipient shall comply with 22 CFR 226.40-49 and the standard provision entitled "USAID Eligibility Rules for Goods and Services." All (sub)contracts must enable the recipient to terminate the (sub)contract for convenience. The CTO must approve the selection of all (sub)contractors (see 22 CFR 226.25 and paragraph F.104.1, "Substantial Involvement Understandings," set forth in Section F of this RFA. All (sub)contracts must be closed-out by the recipient prior to the estimated completion date of the cooperative agreement. The recipient shall comply in all material respects with Contract Information Bulletin (CIB) 90-12 regarding contract close-out. Pursuant to ADS-304.5.1, 22 CFR 228.33, and except as the Agreement Officer may otherwise agree in writing, neither a foreign governmental organization (*i.e.*, an organization which functions as a governing body, such as foreign ministries and local governments) nor a Government-Owned Organization, (*i.e.*, a host government agency or a firm operated as a commercial company or other organizations [including nonprofit organizations other than public educational institutions] which are wholly or partially owned by a host government or agencies thereof) may be awarded (sub)contracts.

A.204.201-3(a)(5) Unless otherwise approved by the CTO in advance and in writing (which approval must, in turn, have the approval of the Mission Director), all subagreements with community groups, and all sub-awards with Government of Zimbabwe (GoZ) institutions, shall

require that the sub-recipient of GoZ institution cost-share at least 25% of the total cost of the activity supported by the subagreement and/or acquired under the (sub)contract. Such cost-sharing may consist of in-kind contributions, provided that they otherwise qualify as cost-sharing under 22 CFR 226.23.

A.204.201-3(a)(6) In choosing between subagreements and (sub)contracts, the recipient shall comply with the guidance set forth in ADS-304.5.1. and USAID (M/OP) General Notice dated 17 August 2000. Regardless of whether subagreements or (sub)contracts are used, the recipient may not finance the salaries or any benefits of host government employees without the prior written approval of the Agreement Officer.

A.204.201-3(a)(7) It has been proposed that the small sub-agreement and/or subcontract activity include a quick-response fund to CBOs that have reached a defined level of capacity for temporary emergency support of children most at need in the community. These funds would be used to meet basic needs. The level of capacity that would be required to access these funds would include a track record of having provided service to the community; demonstrated representation by various groups within the community such as those who represent local government, NGOs, churches, etc.; ability to manage and account for funds; and a system of identifying and reaching agreement about the children who are most in need of emergency support.

A.204.201-3(a)(8) The recipient is expected to collaborate with the DSW and dovetail with their community-based efforts and partner with Zimbabwean organizations (such as NGOs, trusts, or private firms) that are larger than the CBOs and meet established criteria for organizational capacity and effectiveness. The criteria might include organizational capacity; scale of the operation in proportion to its outreach; target groups of the poor and disadvantaged; application/selection criteria for beneficiaries; evidence of positive impacts; cost-effectiveness; expected sustainability of the services; innovative approaches; prevention (as well as care) activities; and advocacy interests. Applicants for the Zimbabwean partner sub-agreements and/or (sub)contracts should be asked to propose their criteria for beneficiaries, their planned activities, and their rationales.

A.204.201-3(a)(9) The recipient will also assist community groups to identify their needs, and design training, technical assistance, or other approaches to meet those needs. Organizations or individual(s) with technical expertise in the areas of need for the particular communities involved may be engaged to provide this assistance.

A.204.201-3(a)(10) The recipient may also support networking, exchanges, and site visits among the CBOs. One objective of this initiative is to “seed” new groups and activities by replicating best practices and thereby expanding coverage of the population of children affected by AIDS. Thus, the recipient should seek opportunities to engage new communities, search out models of effective adaptation, and facilitate information exchange. Ingenuity and innovation will be encouraged on the part of the recipient in its efforts to support communities.

A.204.201-3(b) Phase-II: Replication of Successful Interventions

A.204.201-3(b)(1) If this cooperative agreement is amended, or a new follow-on grant or cooperative agreement is awarded, for Phase-II, the recipient will implement Phase-II through 30 September 2005. The amount of funding available for Phase-II is not currently known, but will be made known to the recipient prior to submission of the proposal described in Section

A.204.201-1 above. The recipient will replicate successful interventions in appropriate contexts throughout Zimbabwe to expand the program nationally. It is not expected that the program will achieve “national coverage” during Phase-I. Rather, the program will expand up to the amount of funds available to carryout sustainable capacity-building interventions distributed across the most disadvantaged districts of the country.

A.204.201-3(b)(2) During Phase-II, the recipient will provide capacity-building and training to existing community organizations that seek support to improve their ability to meet the needs of vulnerable children in their community. Communities in which there is not currently an organized response to children affected by AIDS, but in which there is an expressed interest, should also be able to access this support.

A.204.201-3(b)(3) As during Phase-I, for all sub-agreements and (sub)contracts, the recipient will administer the entire solicitation, proposal review, award, (subject to approval by the CTO), payment/disbursement, financial tracking, results reporting, and post-award administration, including close-out.

A.204.202 Support for Education of Children Affected by AIDS : Scholarship Program

A.204.202-1 Many families affected by AIDS are impoverished. Illness, funerals, loss of income, loss of land and capital are all frequent consequences of AIDS in a family. These events reduce the funds available to pay school fees and put pressure on children affected by AIDS to replace labor and earnings of adults who are ill or deceased.

A.204.202-2 Communities have identified payment of school fees and associated costs (*e.g.*, uniforms, textbooks, etc.) as one of the most needed interventions to help children affected by AIDS. Providing minimal support of school fees would enable poor children affected by AIDS to return to school, thus mitigating the effect that the current AIDS crisis will have on communities, on the future of these children, and on the society in which they will live. Schooling reduces early and risky sexual activity among girls, and thus lowers their probability of HIV infection. For boys and girls affected by AIDS, education improves their current well-being and their future prospects.

A.204.202-3 Community leaders are aware that when children affected by AIDS leave school, they are at heightened risk of infection with HIV. This is especially true for girls. Community leaders observe in Zimbabwe what has been recorded in communities around the world: without school, these girls have no vision of a comfortable future without AIDS; they are prone to low self-esteem, sexual exploitation, and abuse. By contrast, girls in school generally postpone sexual initiation, postpone marriage, and upon leaving, have better incomes, health, and nutrition, as well as smaller families. One caution, however, is that even in school, girls remain vulnerable to male teachers. Attention should be given to promotion of a safer school environment for girls, and to effective means of discouraging or preventing exploitative or abusive teacher behavior. For boys, school saves them from the streets, keeps them constructively engaged with their communities, and prepares them for productivity in their adult lives.

A.204.202-4 School fees are a barrier for many of these vulnerable children. The Zimbabwe education system is under great stress. Up to 90% of government investment in education goes to teacher salaries, leaving the burden of all other costs on the communities. To cover facilities, supplies, instructional materials, etc., communities levy fees and other charges. These costs, plus

the cost of uniforms and other supplies, are born by families. In addition, where children's income, care-giving, or household labor is critical to the family, the opportunity costs of sending children to school can be very high. In the case of orphans who are in foster homes, the implicit *quid pro quo* for their care may be household labor, which constitutes an additional barrier to their school participation. Impoverished foster families are often reluctant to expend scarce resources on fees on top of foregone labor. Many children become a source of revenue for their families as early as 10-12 years old.

A.204.202-5 Quality of schooling is very important for vulnerable children. Children affected by AIDS are reported to dropout more frequently than other children and more often perform poorly in school. This is attributable to many causes such as depression, heavy responsibilities at home, lack of time, lack of support from parents, and stigmatization by peers. A child's poor performance can reduce willingness to invest in his/her education. When families struggle to meet the direct and opportunity costs of education, they want reasonable certainty that their sacrifices are worthwhile, and their concerns have merit. The quality of schooling is important for the children's future. Zimbabwe's automatic promotion policy, declining numbers of experienced teachers (3% per year are estimated to be dying of AIDS), declining resources for schools, and a myriad of other factors have resulted in students who complete school but do not have the requisite knowledge and skills expected of an educated adult. A good education enhances self-esteem and empowers students - especially important for girls in this society. A bad education can have the opposite effect. Education can also prepare students with skills and knowledge to manage their own health care and protect themselves against HIV.

A.204.202-6 Tolerance thresholds for low quality of schooling differ by gender and probably by degree of familial closeness. When quality of the school is low and family resources limited, girls will be withdrawn. There are two reasons for this. First, a girl typically contributes more at home than a boy. One recent study reports that girls in

Zimbabwe spend approximately 7 hours daily on work at home; boys spend 40 minutes. Keeping a girl at home has a bigger impact on family welfare. Second, most families still believe that it is more important for the individual and the family that a boy be educated. If a choice must be made, the girl will dropout. If the quality of education is poor, that choice will be made sooner.

A.204.202-7 In order to address these constraints, scholarship programs for communities will be supported. It is expected that many scholarship programs will build on and be integrated with the small sub-agreement/(sub)contract and technical assistance/training relationships with communities and CBOs, described in Section A.204.201 above.

A.204.202-8 Scholarship programs are fraught with management challenges. Targeting the children and families who really need the scholarships; controlling abuse, corruption, and diversion of funds; preventing dependency; and avoiding stigmatization or resentment against scholarship recipients are frequent issues. Additional challenges include designing programs that benefit the entire school community, and that improve education rather than ensure an income stream regardless of services delivered.

A.204.202-9 To meet some of those challenges, the recipient must emphasize community management, community participation, and community decisions about scholarship recipients, structure and management of scholarships, and relationships with schools. The applicant will be given flexibility to design and manage innovative programs to get and keep children affected by

AIDS in school. For example, rather than individual scholarships, funds could be used for block grants to communities or schools to hire qualified teachers, purchase instructional materials, or improve school facilities (though donated labor from the community would be required), thus benefiting the entire community. In exchange, schools would waive fees to enroll a specified number of children who could not otherwise attend. Creative approaches to motivate teachers to stay in rural areas will also need to be addressed.

A.204.202-10 For the purposes of this initiative, education can be broadly defined. Improving or enrolling children in community-based schools, vocational technical schools, business training programs, apprenticeship programs, crèches (both to prepare young children to succeed in school and to free their older siblings from child care responsibilities so that they can attend school), or other options could be proposed, as long as children affected by AIDS are getting some kind of education that provides daily structure and prepares them for a more productive adult life.

A.204.202-11 Each program will need to defend its strategy for age targeting. There is merit to support continuous schooling from preschool through secondary to mitigate HIV. However, fewer children can be helped if assistance for secondary schooling is emphasized because the costs are so much higher. On the other hand, girls of secondary school age are at much greater risk of HIV infection.

A.204.202-12 Girls are the primary target of this program because there is abundant evidence that schooling influences their sexual behavior and improves their reproductive health. Therefore, girls will be at least 50% of the primary school scholarship recipients in every community or the current proportion of enrollment plus 10% by grade, whichever is higher.⁵ If scholarships are offered at the secondary school-level, criteria will be slightly different. Girls will be at least 60% of scholarship recipients or the current proportion of female students by year plus 10%, whichever is higher.⁶ If there are very few scholarships per grade, the recipient can workout the overall gender balance it thinks most appropriate, bearing in mind that the goal is to keep girls in school. Overall, at least 50% of primary, and 60% of secondary, students who benefit from this program must be girls.

A.204.202-13 Monitoring of the scholarship programs will capture the diversity of approaches generated by communities. Networking, site visits, sharing of strategies, experiences, and expertise will be facilitated to improve the quality and impacts of the funds as lessons are learned.

A.204.202-14 In tandem with a local partner, the recipient will implement the scholarship program for children affected by AIDS. After award of the cooperative agreement, the recipient will conduct a competitive selection process in Zimbabwe for a local partner (subrecipient or [sub]contractor) to implement the scholarship program. The recipient and local partner must establish a formal mechanism for their partnership, either a sub-agreement or a (sub)contract, as

⁵ Thus, for example, if girls are 45% of first grade enrollments, 55% of first grade scholarships/fee waivers must go to girls. If girls are 35% of grade four enrollments, 50% of scholarships/fee waivers for grade four must go to girls. The minimum percentage of primary scholarships going to girls is 50%. More than 50% of scholarships will go to girls if more than 40% of currently enrolled students are girls.

⁶ Thus, if girls are 30% of form three students, 60% of scholarships for form three must go to girls. The minimum percentage of secondary scholarships going to girls is 60%. More than 60% of scholarships will go to girls if more than 50% of currently enrolled students are girls.

appropriate. Applicants must not propose potential local partners for the scholarship program; rather, applicants will describe in their proposal how they would compete and select a local partner for implementation of this activity. This activity will occur via a national tender after the recipient arrives in-country. However, applicants must describe their preliminary concept on what criteria will be used to select a partner, how it will leverage the resources budgeted herein, and how it will creatively seek to establish a program and mechanism that is transparent, fair and sustainable.

A.204.202-15 As part of the cooperative agreement, USAID will provide local currency funds (owned by the Government of Zimbabwe and jointly managed by USAID and the GOZ Ministry of Finance) to the recipient for sub-awarding to scholarship recipients. The recipient will administer the entire selection process for the local partner that will manage the scholarship activity/fund. However, since the local currency funds are owned by the GOZ Ministry of Finance (MOF), it is suggested that the selection committee for the local partner include a representative of the GOZ/MOF; at the same time, however, the Mission is concerned – given the current situation in Zimbabwe – that the GOZ/MOF representative be unbiased and apolitical. As described above and in Section A.204.203 below, there are several possible ways to implement the scholarship program, and multiple dangers that the fund will be subverted; that it will subvert on-going coping and support mechanisms; or that it will be biased against marginalized families. The recipient and local partner must avoid these pitfalls. Innovation and creativity to meet this challenge are strongly encouraged. Linking the scholarship program with the pilot sites described in Section A.204.201-3(a) above is encouraged if feasible and realistic.

A.204.202-16 As indicated in Section A.204.201-2 above, a maximum amount of US\$2,500,000, and an estimated amount of Z\$50,466,000 for the Scholarship Fund, will be provided for the first 2.5 years of the Cooperative Agreement. Applicants that exceed this amount may be eliminated from further consideration. As of 1 June 2000, the estimated amount of Z\$50,466,000 in local currency owned by the GOZ and jointly managed by USAID and the Ministry of Finance is available for the Scholarship Program. That amount may fluctuate during the first 2.5 years of the program based upon the prevailing interest rates.

A.204.202-17 If the cooperative agreement is amended/extended, or if a new follow-on grant or cooperative agreement is awarded, to support Phase-II of assistance to CBOs (as described in Section A.204.201-1 above), the Scholarship program may also be continued, subject to agreement of the Government of Zimbabwe and availability of local currency funds. In accordance with Section A.204.201-2 above, the amount of funding will be made known to the recipient prior to submission of a proposal for continuation of the program after the first 2.5 years.

A.204.203 Issues/Concerns

There is concern that the influx of donor money will make this activity risky in the Zimbabwean context, and destroy community initiatives and continued voluntary contributions of labor resources. Specifically:

A.204.203-1 The activity may become a welfare program for dependent children.

A.204.203-2 By providing financial assistance and subsidies to communities, the program may disrupt the on-going volunteer community initiatives as well as the business skills training offered by the Economic Opportunity Special Objective. This is an important concern given that

Zimbabwe is only now turning away from the socialist-oriented system that created dependency in rural communities and that was not particularly effective in targeting resources on the poorest.

A.204.203-3 One possible strategy for minimizing negative effects on community involvement may be to set a ceiling on the donor-financed proportion of resources provided to beneficiaries. For example, if a community group planned to provide Z\$1,000 in assistance per year to children affected by AIDS, donors could be limited to financing only Z\$200 of that total. Another possible strategy is to allow communities to make their plans, then utilize the small sub-agreements/(sub)contracts to “top-off” the assistance with for example, an additional 10-20%.

A.204.203-4 It is important to consider the cultural context. By offering a resource like scholarships to destitute families, the program is certain to cause well-meaning corruption of families distributing the resource to other family members in ways that the program had not planned. This would be true even if the scholarships were provided in the form of vouchers. It is important to not limit initiative, as discussed above, but rather to supplement initiative of these poor families and communities.

A.204.203-5 Because children will be receiving assistance to go to school, but are often reported to be too hungry to thrive in school, it might make sense to provide food as well. But provision of food is likely to be extremely difficult to manage, for USAID and for the recipient.

A.204.203-6 Any method of narrowing the number of beneficiaries – for example by only assisting double orphans – will be disruptive to the traditional coping mechanism of extended families supporting children. It will also be important to be flexible in what is asked of the community, for example, 80-year-olds cannot contribute to brick-making for a school.

A.204.203-7 Political parties and other powerful people in the poor communities are likely to want to control the flow of this resource. It should be expected that there would be outright manipulation of the program in some cases.

A.204.203-8 When the program gets to the replication stage (Phase-II), it may just be replicating hand-outs.

A.204.3 Performance Monitoring Plan (PMP)

The recipient will also be responsible for implementation of the IR-3 Performance Monitoring Plan (PMP), including the collection and analysis of all data related to the third indicator at the SO level, *i.e.*, “Regular Visits by Volunteers to Households with Vulnerable Children,” and all performance indicators for the first activity at the IR-3 level.

The proposed IR-3 indicators are:

- Number of community programs increasing in community capacity score by X%
- Number of schools involved in resource-exchange-for-scholarship initiatives

OR

- Number of school fees paid to schools for children on community registers of children in need

- Percentage of scholarship recipients at primary and secondary levels who are girls
- Child Welfare Forum Score

The applicants are invited to review the indicators for IR-3 and determine whether alternative indicators would be more appropriate. If so, the applicants should propose and justify.

A.204.4 Technical Reporting

The recipient will provide quarterly performance monitoring reports, annual Results Reports, and a final report to the CTO (see paragraphs E.204, 205 and 207 “Post-Award Technical Reports,” as set forth in Section E of this RFA).

A.204.5 Consultation, Coordination, and Cooperation

The recipient will work closely with key Zimbabwean and international partners of USAID to assure that all activities are collaboratively programmed. USAID intends that co-ordination and decision-making regarding on-going implementation of activities under the HIV/AIDS Strategic Objective will be ensured through an informal consultative process that will involve customers, partners, and other stakeholders on an on-going, topic-driven basis. Key stakeholders are expected to include, but not be limited to, offices/representatives of the National AIDS Council, various HIV/AIDS NGOs, the Ministry of Health, the National AIDS Control Programme, local governments, community groups, and other donors. All such consultative meetings and co-ordinative activities are expected to occur in Harare, with the recipient’s role being one of participation and cooperation. During implementation, the recipient shall cooperate and co-ordinate with the Contractor for RP/IR-2 as it increases advocacy and policy-making capacity within the theme of children affected by AIDS. The recipient shall also cooperate and co-ordinate with other implementers under the HIV/AIDS SO.

SECTION B – EVALUATION CRITERIA

B.1. GENERAL INFORMATION

B.101 USAID may award a cooperative agreement without discussions with applicants in accordance with Sections C.3. and D.107.4 of this RFA.

B.102 USAID intends to evaluate applications in accordance with this Section B. and make a cooperative agreement award to the responsible applicant whose application represents the best value to the U.S. Government.

B.103 The technical evaluation committee may include industry experts and/or host country officials who are not employees of the Federal Government.

B.2. TECHNICAL EVALUATION APPROACH

B.201 The technical evaluation criteria listed below are presented by major category, with weightings indicated, so that applicants will know which areas require emphasis in the preparation of the technical application. Applicants should note that these criteria serve as the standard against which all technical applications will be evaluated, and serve to identify the significant matters which applicants should address.

		<u>Points</u>
B.201.1	<u>Technical Implementation</u>	66
B.201.101	Applicant's Understanding of the Problem and USAID/Zimbabwe's Strategy (5 Points)	
B.201.102	Responsiveness, Technical Quality, Ambitiousness, Creativity, and Realism/Feasibility of the Applicant's Approach to Achieving Pilot Interventions that Build Sustained and Replicable Community Programs to Assist Children Affected by HIV/AIDS. (14 Points)	
B.201.103	Responsiveness, Technical Quality, Ambitiousness, Creativity, and Realism/Feasibility of the Applicant's Approach to a Scholarship Program for Children Affected by HIV/AIDS, Especially Girls in Primary and Secondary School. (14 Points)	
B.201.104	Quality and Realism of the Performance Monitoring Plan (PMP), including Gender Issues (10 Points)	
B.201.105	Quality and Responsiveness of Draft Initial Workplan (5 Points)	
B.201.106	Responsiveness and Realism of Proposed Staffing Plan (3 Points)	
B.201.107	Qualifications and Experience of Key Long-Term Personnel (15 Points)	

B.201.2	<u>Technical Management</u>	<u>Points</u> 13
B.201.201	Quality and Responsiveness of Management Structures (5 Points)	
B.201.202	Ability to Provide and Retain Proposed Key Personnel (3 Points)	
B.201.203	Ability to Provide Subagreement/(Sub)contract/Scholarship Management Services (5 Points)	
B.201.3	<u>Past Performance</u>	21
B.201.301	Applicant's Experience in Managing Large, Multi-Year, Bilateral Projects/Activities with Similar Size, Scope and Complexity (5 Points)	
B.201.302	Past Performance in Successfully Managing and Implementing African Based, Multi-Year Community Programs That Assist Disadvantaged Children. (8 Points)	
B.201.303	Past Performance in Successfully Adminstrating Scholarship Program, Particularly for Girls, and in Africa. (8 Points)	
(Applicants lacking relevant past performance history shall be given a neutral past performance rating.)		
	TOTAL	<u>100</u>

SECTION C - SELECTION PROCESS

C.1. Evaluation of Technical Applications

C.101 The technical applications will be reviewed by an evaluation committee against the evaluation criteria set forth in Section B of this RFA. The relative importance of each criterion is indicated by approximate weighting. Applicants should note that these criteria: (a) serve as the standard against which all applications will be evaluated; and (b) serve to identify the significant matters which applicants should address in the technical application. Applicants should note that Section D.203 of this RFA requires the technical application to correspond to the order of the evaluation criteria. Please note the page limitation for technical applications set forth in Section D.202 of this RFA. Further details pertaining to preparation of technical applications are set forth in Section D.2. of this RFA.

C.102 USAID requires a minimum of 25% non-federal matching contributions by the Recipient, other collaborating/participating organizations, and/or third parties. Please note that, to qualify as non-federal matching contributions, the costs (including in-kind contributions) must be verifiable from the Recipient's books and records. However, if the applicant proposes to use other federal funds (over and above the 25%), otherwise referred to as "other contributions", these funds should be included separate from the cost sharing. Examples of "other contributions" would be funding from Global Bureau, AFR/SD or another U.S. Government Agency.

C.2 Review of Cost/Management Applications

C.201 Costs will be reviewed by the Agreement Officer for general reasonableness, realism, necessity, allowability, and allocability.

C.202 Management information will be reviewed by the Agreement Officer to determine the responsibility and eligibility of the applicant, and to address/resolve issues which may impede performance and implementation, with an eye toward reducing post-award administrative requirements and burdens by resolving issues and providing approvals as part of the pre-award and award process.

C.203 Further details pertaining to preparation of cost/management applications are set forth in Section D.3. of this RFA.

C.3 "Shortlisting" and Negotiations

Award may be made based on the initial applications. However, if necessary, based on the above evaluation, a "shortlist" will be established by the Agreement Officer, consisting of the most highly rated applications, the above evaluation factors considered, except that the Agreement Officer may further limit the number of applications on the shortlist to the greatest number that will permit an efficient competition amongst the most highly rated applications. To the extent that they are necessary, discussions and negotiations will then be conducted with all such applicants, and revised applications or addenda to the initial applications will be requested, as necessary.

C.4 Revised Applications/Addenda to Initial Applications

C.401 Technical Application

The revised technical application or addendum thereto, if requested, will be reviewed by the evaluation committee for the applicant's response to any questions, comments, or suggestions which are conveyed to the applicant during negotiations. The criteria set forth in Section B. of this RFA shall be used in assessing and evaluating the applicant's response.

C.402 Cost/Management Application

The revised cost/management application or addendum thereto, if requested, will be reviewed by the Agreement Officer in accordance with Section C.2. above.

C.5 Award Criteria

Award of a cooperative agreement will be made in accordance with the terms and conditions of this RFA to the responsible and eligible applicant whose costs are fair and reasonable, allowable, necessary, and realistic, and whose application is determined by the Agreement Officer to offer the best value to USAID. Award may be made based on the initial applications or based on the first submission of revised applications/addenda. However, if necessary, USAID reserves the right to further narrow the shortlist and/or conduct subsequent negotiations, followed by submission of subsequent revised applications/addenda.

SECTION D - APPLICATION INSTRUCTIONS

D.1. GENERAL CONDITIONS AND INSTRUCTIONS

D.101 Definitions

As used herein:

D.101.1 "Discussions" are negotiations that occur after establishment of the shortlist that may, at the Agreement Officer's discretion, result in the applicant being allowed to revise its application.

D.101.2 "In writing" or "written" means any worded or numbered expression which can be read, reproduced, and later communicated, and includes electronically transmitted and stored information.

D.101.3 "Application modification" is a change made to an application before the RFA's closing date and time, or made in response to an RFA amendment, or made to correct a mistake at any time before award.

D.101.4 "Revised application/addendum" is a change to an application made after the RFA's closing date, at the request of or as allowed by the Agreement Officer as the result of negotiations.

D.101.5 "Time," if stated as a number of days, is calculated using calendar days, unless otherwise specified, and will include Saturdays, Sundays, and legal holidays. However, if the last day falls on a Saturday, Sunday, or legal holiday, then the period shall include the next working day.

D.102 Amendments to RFA

If this RFA is amended, all terms and conditions that are not amended remain unchanged. Applicants shall acknowledge receipt of any amendment to this RFA by the date and time specified in the amendment(s).

D.103 Submission, Modification, Revision, and Withdrawal of Applications

D.103.1 Applications, modifications to applications, and revised applications/addenda shall be submitted in paper media in sealed envelopes or packages (a) addressed to the office specified in the cover letter of this RFA, and (b) showing the time and date specified for receipt, the RFA number, and the name and address of the applicant. Applicants using commercial carriers should ensure that the application is marked on the outermost wrapper with the information described herein.

D.103.2 The first page of the application must show: (a) the RFA number; (b) the name, address, and telephone and facsimile numbers of the applicant; and (c) names, titles, and telephone and facsimile numbers (and e-mail addresses if available) of persons authorized to negotiate on the applicant's behalf.

D.104 Late Applications and Revised Applications/ Addenda

D.104.1 Any application received at the office designated in the cover letter of this RFA after the exact time specified for receipt of applications will not be considered unless (a) there is acceptable evidence to establish that it was received at the USAID Mission and was under USAID's control prior to the time set for receipt of applications, and the Agreement Officer determines that accepting the late application would not cause an undue delay; or (b) it is the only application received.

D.104.2 Any application modification or revised application/addendum or response to request for information is subject to the same conditions as described in Section D.104.1 above.

D.104.3 Acceptable evidence to establish the time of receipt at the USAID Mission includes the time/date stamp of the USAID Mission on the application wrapper, other documentary evidence of receipt maintained by the USAID Mission, or oral testimony or statements of USAID personnel.

D.104.4 Notwithstanding Section D.104.2 above, a late application modification or revised application/addendum of an otherwise successful application that makes its terms more favorable to USAID will be considered at any time it is received and may be accepted.

D.104.5 Applications may be withdrawn by written notice received by the Agreement Officer at any time before award. Applications may be withdrawn in person by an applicant or an authorized representative, if the representative's identity is made known and the representative signs a receipt for the application before award. Withdrawals are effective upon receipt of notice by the Agreement Officer.

D.104.6 If an emergency or unanticipated event interrupts normal USAID processes so that applications cannot be received at the office designated in the cover letter of this RFA for receipt of applications by the exact time specified in the cover letter of this RFA, and urgent USAID requirements preclude amendment of this RFA or other notice of an extension of the closing date, the time specified for receipt of applications will be deemed to be extended to the same time of day specified in the cover letter of this RFA on the first work day on which normal USAID processes resume.

D.104.7 Applications submitted in response to this RFA shall be in English and in U.S. dollars.

D.104.8 Applicants may submit modifications to their applications at any time before the RFA closing date and time, and may submit modifications in response to an RFA amendment, or to correct a mistake at any time before award.

D.104.9 Applicants may submit revised applications/addenda only if requested or allowed by the Agreement Officer.

D.104.10 Applicants may submit applications that depart from stated requirements. Such applications shall clearly identify why the acceptance of the application would be advantageous to USAID. Any deviations from the terms and conditions of this RFA, as well as the comparative advantage to USAID, shall be clearly identified and explicitly defined. USAID reserves the right to amend this RFA to allow all applicants an opportunity to submit revised applications/addenda based on the revised requirements.

D.105 Receipt of Applications and Application Expiration Date

Applications must be received by 10:00 a.m., Harare, Zimbabwe time, on the closing date set forth in the cover letter of this RFA at the place indicated in the cover letter of this RFA. Applications submitted in response to this RFA must be valid for at least sixty (60) days from the closing date indicated in the cover letter of this RFA. Neither telegraphic nor facsimile applications, nor applications submitted by an electronic commerce method, will be accepted.

D.106 Restriction on Disclosure and Use of Data

D.106.1 Applicants that include in their applications data that they do not want disclosed outside of the evaluation committee, or used by USAID except for evaluation purposes, shall:

D.106.101 Mark the title page with the following legend:

This application includes data that shall not be disclosed outside the evaluation committee and shall not be duplicated, used, or disclosed -- in whole or in part -- for any purpose other than to evaluate this application. If, however, a cooperative agreement is awarded to this applicant as a result of -- or in connection with -- the submission of this data, USAID shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting cooperative agreement. This restriction does not limit USAID's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [*insert numbers or other identification of sheets*]; and

D.106.102 Mark each sheet of data it wishes to restrict with the following legend:

Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this application.

D.106.2 Applicants are advised that the successful technical application and/or revised application/addendum will become the Program Description of the cooperative agreement.

D.107 Cooperative Agreement Award

D.107.1 USAID intends to award a cooperative agreement resulting from this RFA to the responsible applicant whose application represents the best value after evaluation in accordance with the criteria and subcriteria in Section B of this RFA.

D.107.2 USAID may reject any or all applications if such action is in USAID's interest.

D.107.3 USAID may waive informalities and minor irregularities in applications received.

D.107.4 USAID hopes to evaluate applications and award a cooperative agreement without discussions with applicants (except clarifications, *i.e.*, limited exchanges between USAID and applicants, *e.g.*, the relevance of an applicant's past performance information and adverse past performance information to which the applicant has not previously had a chance to respond). Therefore, the applicant's initial application should contain the applicant's best terms. USAID reserves the right to conduct discussions if the Agreement Officer later determines them

to be necessary. If the Agreement Officer determines that the number of applications that would otherwise be on the shortlist range exceeds the number at which an efficient competition can be conducted, the Agreement Officer may limit the number of applications on the shortlist to the greatest number that will permit an efficient competition amongst the most highly rated applications.

D.107.5 Exchanges with applicants after receipt of an application do not constitute a rejection or counteroffer by USAID.

D.107.6 The Agreement Officer may disclose the following information in post-award debriefings to other applicants:

D.107.601 The overall rating of the successful applicant;

D.107.602 The overall ranking of the applicant; and

D.107.603 A summary of the rationale for award.

D.108 Responsiveness to RFA and False Statements

The applicant shall follow the instructions contained herein and supply all information as required. Failure to furnish all information requested, or to submit an application directly responsive to the terms, conditions, specifications, and provisions of this RFA (except as permitted by Section D.104.1 above) may disqualify an application. Applicants must set forth full, accurate and complete information as required by this RFA. The penalty for making false statements to the Government is prescribed in 18 U.S.C. 1001.

D.109 Preparation of Applications

D.109.1 Requirement to Propose on Entire Program

The applicant is requested to submit an application directly responsive to the terms, conditions, specifications, and provisions of this RFA. Applications not conforming to this RFA may be categorized as unacceptable, thereby eliminating them from further consideration. The applicant must propose for the entire program; applications for only part of the program will not be accepted.

D.109.2 Number of Copies of Applications

Pursuant to ADS-E303.5.4b o), USAID may not require more than the original and two copies of an application. However, in order that there will be sufficient copies of the technical application for the evaluation committee and the Agreement Officer, USAID needs eight (8) copies, in English, of the technical application and three (3) copies, in English, of the cost/management application. Applicants are requested to submit one (1) copy of cost/management spreadsheets on a 3.5" diskette in Microsoft Excel (version '97 or earlier) to facilitate review of costs. Applicants are requested, but are not required, to submit said number of copies of the technical application. Failure to do so will not disqualify an applicant, nor will it be viewed negatively by USAID. However, if an applicant decides to submit only the required three copies of the technical application, at least one copy shall be submitted unbound so that USAID may

photocopy additional copies. The technical and cost/management applications must be submitted in separate volumes.

D.109.3 Marking of Applications

Applicants shall submit the application in sealed envelopes clearly marked on the outside with the following information:

Technical Application -or- Cost/Management Application
RFA No. 690-01-002
“Zimbabwe HIV/AIDS Orphans and Vulnerable Children”

D.110 Pre-Award Audits/Surveys and Discussions/Negotiations

USAID reserves the right to perform a pre-award audit/survey which may include, but is not limited to: (a) interviews with individuals to establish their ability to perform cooperative agreement duties under project conditions; (b) a review of the applicant's financial condition, business and personnel policies and procedures, etc.; and (c) site visits to the applicant's institution. However, it must be understood that USAID undertakes no obligation to perform any of the foregoing elements. Moreover, pursuant to Section D.107.4 above, USAID hopes to award the cooperative agreement based on initial applications. Accordingly, applicants should submit their best and most complete application initially.

D.111 Interviews/Discussions/Oral Presentations in Harare, Zimbabwe

While it is not anticipated, USAID nevertheless reserves the right to request the applicant and the applicant's key personnel to travel to Harare, Zimbabwe for interviews, discussions, and/or oral presentations. USAID will not pay any travel costs associated therewith.

D.112 Explanation to Prospective Applicants

Any prospective applicant desiring an explanation or interpretation of this RFA must request it in writing soon enough to allow a reply to reach all prospective applicants before the submission of their applications. Oral explanations or instructions given before award of the cooperative agreement will not be binding. Any information given to a prospective applicant concerning this RFA will be furnished promptly to all other prospective applicants as an amendment to this RFA, if that information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective applicants. All questions must be directed to, and received by, the Agreement Officer not later than 20 March 2001. Applicants may not hold discussions with USAID/Zimbabwe regarding any aspect of this RFA without prior consultation and coordination with, and authorization of, the Agreement Officer; failure to comply with this requirement may serve to disqualify an applicant.

D.113 Unnecessarily Elaborate Applications

Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective response to this RFA are not desired and may be construed as an indication of the applicant's lack of cost consciousness. Elaborate art work, expensive paper and bindings, and expensive visual and other presentation aids are neither necessary nor wanted.

D.114 Freedom of Information Act

D.114.1 Pursuant to this Act, the public is entitled to request information from Agency contract files. As a general rule, information will be disclosed except:

D.114.101 Information submitted in response to this RFA, prior to award of the cooperative agreement, or modifications or revisions thereto.

D.114.102 Information properly classified or administratively controlled by USAID.

D.114.103 Information specifically exempted from disclosure under the Freedom of Information Act.

D.114.2 Upon award of the cooperative agreement resulting from this RFA, USAID will disclose, use, or duplicate any information submitted in response to this RFA to the extent provided in the cooperative agreement and as required by the Freedom of Information Act.

D.115 Failure to Conform

The technical evaluation committee may consider any failure to conform to these instructions and rules, and any attempt to evade these specifications and rules on the basis of technicalities, as indications of the kind of behavior that it may expect from the applicant during cooperative agreement performance/implementation. The committee will take this into account when making its evaluation. If an applicant does not understand these instructions, it should write to the Agreement Officer for clarification sufficiently in advance of the deadline for the receipt of applications to receive an answer in time to meet that deadline (see Section D.112 above).

D.116 USAID Obligation

USAID is not obligated to make an award or pay for any costs incurred by the applicant in preparation and submission of an application in response hereto.

D.117 Authority to Commit USAID

The Agreement Officer is the only individual who may legally commit USAID to the expenditure of public funds. No costs allocable to the proposed cooperative agreement will be reimbursed by USAID before receipt of either a fully executed cooperative agreement, or a specific written authorization from the Agreement Officer.

D.2. SPECIFIC INSTRUCTIONS FOR TECHNICAL APPLICATIONS

D.201 The technical application will be evaluated by a Technical Evaluation Committee in accordance with the technical evaluation criteria set forth in Section B.2 of this RFA. The technical application will be the major consideration in the award of the cooperative agreement. Therefore, it should be specific, complete, presented concisely, and responsive to the instructions contained herein. Applicants are advised that lack of completeness or superficiality of the application may constitute grounds for excluding it from consideration. The technical application should set forth in detail the applicant's approach and schedule; technical resources; technical experience and background; strategy, methodology, procedures, and techniques for the management, implementation, and monitoring of the program; past performance information;

unique or specialized skills; and physical facilities. The application must define the technical resources, capabilities, and expertise of the applicant's organization and other institution(s) involved, and of the professional personnel proposed. The information presenting the capabilities of the applicant's organization and of the individuals to be assigned should spell-out clearly the pertinent work experience and accomplishments in developing and conducting activities of the type required under this RFA, as well as the specialized skills, professional competence, academic training, and relevant achievements of the personnel. It is important that the technical application furnish verifiable, objective supporting evidence of successful program management, implementation, and monitoring. Please note that the program to be supported by the cooperative agreement, as set forth in Section A of this RFA, is described in broad terms; however, the Program Description for the cooperative agreement will be the successful application and any revised application/addenda. The technical application should be written in results-oriented terms, and cover a 2.5-year period for Phase-I (Testing Pilot Interventions) and the Scholarship Program. Applicants are encouraged to review "RESULTS-ORIENTED ASSISTANCE: A USAID SOURCEBOOK" which may be found on worldwide web: <http://www.usaid.gov/pubs/sourcebook/usgov/>

D.202 Technical applications must be written in English and typed on standard 8-1/2" x 11" or A4 paper, single spaced, with each page numbered consecutively. Only 12 cpi type may be used. **Applications shall be limited to forty (40) pages, excluding any attachments and annexes** which contain, *e.g.*, the proposed performance monitoring plan (PMP), letters of commitment from proposed sub-recipients and (sub)contractors, résumés/CVs and letters of commitment from proposed personnel, and past performance information, etc. This limitation is not intended to prohibit or discourage applicants from submitting technical data in addition to what the applicant is required to respond to in the technical evaluation criteria set forth in Section B.2 of this RFA; however, information which exceeds the page limitations will not be furnished to the technical evaluation committee. A page in the technical application which contains a table, chart, graph, etc., is counted as a page within the page limitation.

D.203 The technical application in response to this solicitation shall be divided into sections corresponding to, and following the order of, the primary evaluation criteria set forth in Section B.2 of this RFA. Each section of the technical application should be clearly identified, using the title of the appropriate primary technical evaluation criterion. This requirement is not intended to prohibit or discourage applicants from submitting technical data in addition to the primary technical evaluation criteria. The relative order of importance of the evaluation criteria is indicated by approximate weighting in Section B.2 of this RFA, so that applicants will know which areas require emphasis in the preparation of applications.

D.204 At a minimum, the technical application shall include the following information:

D.204.1 Technical Implementation

D.204.101 Understanding of the Problem and USAID/Zimbabwe's Strategy

The application must demonstrate the applicant's understanding of the HIV/AIDS situation in, and the current and projected socio-economic and political environment of, Zimbabwe. The application must also demonstrate the applicant's understanding of the rationale for, and goals and objectives of, USAID/Zimbabwe's HIV/AIDS Strategic Objective (SO), and Intermediate Result/Results Package #3 (IR/RP-3).

D.204.102 Applicant's Approach to Achieving Pilot Interventions that Build Sustained and Replicable Community Programs to Assist Children Affected by HIV/AIDS and Applicant's Approach to a Scholarship Program for Children Affected by HIV/AIDS, Especially Girls in Primary and Secondary Schools (This instruction applies to criteria identified in Section B.201.102 and B.201.103.)

The application must describe, in detail and in active voice, the applicant's technical approach to achieving the first activity under IR-3 and the SO. (Please note the first activity includes community interventions and a scholarship program.) The application shall describe the activities proposed to be undertaken/performed by the applicant, with particular attention given to the types of cooperative agreement-level outputs/outcomes (*i.e.*, those that are within the applicant's/recipient's manageable interest to achieve) which the applicant proposes to achieve. Included shall be a description of how those cooperative agreement-level outputs/outcomes are expected to assist children affected by AIDS, thus achieving the first activity under IR-3 and contributing to the achievement of IR-3 and the SO. The application must also address, or propose a procedure for addressing, the list of concerns about the program that are included in Section A.204.203 of this RFA. The applicant shall also address how boys and girls or men and women are affected differently by the pilot interventions and scholarship program. The applicant shall describe and use appropriate gender-sensitive methodologies in all activities. This should be more than a reiteration of Section A. of this RFA or of the HIV/AIDS Design Document (see Annex 2 of this RFA); rather, it should specifically describe how the applicant would fulfill its role as a major stakeholder in achieving the results, including how it would adapt to changing circumstances and opportunities with innovative and creative approaches and strategies.

Applicants should describe the pilot sites or their proposed process for selecting the pilot sites for Phase-I (Testing Pilot Interventions), including who would participate in the process, how long the process would take, and what criteria would be used for selection. Note that some suggestions are made for selection criteria in the HIV/AIDS Design Document (see Annex 2 of this RFA); these are only suggestions and applicants are encouraged to propose (and justify) different criteria as appropriate.

In addition, as described in Section A.204.202 of this RFA and the Design Document (see Annex 2 of this RFA), there are several possible ways to implement the scholarship program, and multiple dangers that the program will be subverted; that it will subvert on-going coping and support mechanisms; or that it will be biased against marginalized families. The applicant should design the scholarship program to avoid these pitfalls. Innovation and creativity to meet this challenge are strongly encouraged. Linking the scholarship program with the pilot sites described in Phase-I (Testing Pilot Interventions) is encouraged if feasible and realistic. The application should also demonstrate the applicant's proposed systems for preventing corruption of the Scholarship Program. Specific attention should be given to technical assistance, training, and workshops; the process for awarding and administering sub-agreements and/or (sub)contracts for both the local partner and community groups; and consultation, coordination, and cooperation (see Section A.204.5 of this RFA). Furthermore, the applicant must describe the composition of the selection committee for the local partner. If the applicant proposes the inclusion of a host government official on the selection committee for the local partner that will implement/manage the Scholarship Program, the applicant must describe how the official will be identified, and how the Mission's concerns (as described in Section A.204.202-15 of this RFA) will be addressed (see also paragraphs E.203.1 and E.203-3 "Post-Award Technical Reports" in Section E. and paragraph F.101 "Substantial Involvement Understandings" in Section F. of this RFA).

D.204.103 Performance Monitoring Plan (PMP)

In an annex which will not count against the page limit set forth above, the application shall include a performance monitoring plan (PMP) which describes the applicant's proposed performance management system, including a detailed plan for managing the collection of data in order to monitor performance and report thereon. The PMP shall specify the source, method of collection, and schedule of collection for each piece of datum required; and assign responsibility for collection to a specific partner, team, or individual. The PMP shall also describe critical assumptions. Also included must be SO- and IR-level performance indicators and tentative annual (1 January through 31 December) numerical performance targets (expressed as a percentage above baseline, since the baseline data will not be known and established until after award of the cooperative agreement, (as described in paragraph E.201, "Post-Award Technical Reports," in Section E of this RFA) for the "Regular Visits by Volunteers to Households with Vulnerable Children" (at the SO level) and for the indicators at IR-3. The proposed IR-3 Indicators are:

- No. of community programs increasing in community capacity score by X%
 - . No. of schools involved in resource-exchange-for-scholarship initiatives
- OR
- . No. of school fees paid to schools for children on community registers of children in need
 - . Percentage of scholarship recipients at primary and secondary levels who are girls
 - . Child Welfare Forum Score.

As noted earlier, the applicants are invited to review the Indicators for IR3 and determine whether alternative indicators would be appropriate. If so, the applicants should propose and justify them.

All SO- and IR-level performance indicators and tentative numerical performance targets must be gender-sensitive, and the applicant must address how this will be accomplished. If sex-disaggregated data are not feasible, the applicant shall explain how the proposed SO- and IR-level performance indicators will assess gender impact indirectly. Section A.204.3 "Performance Monitoring Plan (PMP)" of this RFA contains performance indicators for the SO and for IR-3. The applicant must use the aforementioned SO-level indicator, and may use the illustrative IR-3 level indicators set forth in Section A.204.3 or may propose others. In either case, the application must include appropriate rationale and justification for the proposed IR-3 level indicators. The PMP shall also include tentative cooperative agreement-level benchmarks and milestones (linked to the proposed cooperative agreement-level outputs/outcomes required by Section D.204.102 above). All tentative cooperative agreement-level benchmarks and milestones must be gender-sensitive, and the applicant must address how this will be accomplished. If sex-disaggregated data are not feasible, the applicant shall explain how the proposed cooperative agreement-level benchmarks and milestones will assess gender impact indirectly. The PMP from the successful application -- and the successful application itself (including any revisions/addenda thereto) -- will be incorporated into the cooperative agreement

as the Program Description (Attachment 2) of the cooperative agreement. While the proposed SO- and IR-level performance indicators should be firm (subject to post-award adjustment as a result of changed circumstances), the tentative SO- and IR-level numerical performance targets, as well as the tentative cooperative agreement-level benchmarks and milestones, will be adjusted after award of the cooperative agreement, as described in paragraph E.201, “Post-Award Technical Reports,” in Section E. of this RFA.

D.204.104 Draft Initial Period Workplan

Applicants shall provide a draft initial period workplan (from the anticipated date of cooperative agreement award [20 July 2001] through 30 September 2002). The draft initial period workplan shall also contain a time-phased schedule for mobilization, office set-up, and implementation activities, the proposed selection criteria for the local partner that will implement/manage the Scholarship Program and other subrecipients and (sub)contractors (other than those with which the applicant proposes to team for implementation of the program). Within 150 days of award of the cooperative agreement, the Recipient shall present to the CTO a final initial period workplan (see paragraph E.203.1, “Post-Award Technical Reports,” in Section E of this RFA.

D.204.105 Staffing Plan

The applicant should describe its proposed staffing plan, including specific position titles and level-of-effort (LOE) for each position. The staffing plan should relate directly to the approaches, strategies, and interventions proposed for achieving the results, and include the anticipated short-term technical assistance needs, home and field offices, etc., as deemed important by the applicant. The applicant should specify the nature of supervisory/reporting relationships between members of the Recipient’s team, as well as organizational linkages between the Recipient and any subrecipients/ (sub) contractors. If the applicant proposes the use of subrecipient/ (sub) contractor personnel in any positions, the application shall explain how potential conflicts between on-the-job relationships and employer-employee relationships will be resolved. The applicant should indicate which positions are designated as “key personnel” positions.

D.204.106 Qualifications and Experience of Key Long-Term Personnel

D.204.106-1 The application shall present the applicant’s proposed key personnel positions and candidates (both field and, if applicable, home office), and a description of the location and on-the-job relationships between each. Included shall be the proposed level-of-effort for each position.

D204.106-2 The application must demonstrate the experience of key personnel in effectively managing programs in developing country situations. Factors that are important in this context are (a) demonstrated abilities to operate in a cooperative, diplomatic manner while working with multiple institutions and organizations; (b) demonstrated sensitivities to cultural factors that affect implementation; and (c) demonstrated experience in implementing programs with gender emphasis or with gender-based objectives. Preference will be given to personnel with prior Zimbabwe experience.

D.204.106-3 Applicants shall also include, in an annex to the application (which will not count against the page limit set forth above), résumés for all key personnel candidates. Résumés may not exceed four pages in length. Each résumé shall be accompanied by a letter of commitment

from each candidate indicating his/her availability under the cooperative agreement, in terms of days after award and in terms of long-term commitment to the activity.

D.204.2 Technical Management

D.204.201 Management Structure

D.204.201-1 Applicants shall describe the organizational and management structure they propose to achieve the first activity under IR-3 and contribute to achievement of IR-3 and the HIV/AIDS SO. The applicant shall describe how the management structure will implement the cooperative agreement activities it has proposed. In describing the structure, the applicant will describe lessons learned, if any, from relevant experiences, if any, with establishing and operating similar programs in other countries, and how those lessons can be applied in Zimbabwe.

D.204.201-2 If the applicant intends to develop institutional partnerships/teaming arrangements for implementation of the cooperative agreement ([sub]contractors or sub-recipients), the application shall identify and describe the roles and responsibilities of such local, regional, and/or international organizations. The application must include (in an annex that will not count against the page limit set forth above), letters of commitment from all such proposed partners/team members. The overall discussion must specify the nature of organizational linkages between the prime recipient and any (sub)contractor or sub-recipient. This includes their relationships between each other, lines of authority and accountability, and patterns for utilizing and sharing resources. Of particular importance is the need to clarify the types of administrative and management adjustments which will be made to ensure that incompatible bureaucratic and scheduling requirements of participating institutions will not limit the recipient's (or any [sub]contractors' or sub-recipients') ability to respond on a timely basis. The applicant should note that USAID/Zimbabwe is looking for a clean and clear-cut management structure, and is not necessarily encouraging multiple U. S. institutions to implement this program.

D.204.201-3 The applicant shall describe how it will integrate its management structure with the Mission's SO team and fully participate with the team in managing for results under the SO and IR-3. While USAID/Zimbabwe will retain the role of overall donor coordination with respect to SO- and IR-3-related activities, the applicant will describe how it plans to contribute to this coordination and to increase synergies with other complementary donor investments at the activity level. USAID/Zimbabwe is interested in suggestions by the applicant on how its coordination role could be enhanced and how any existing overlaps and duplication of efforts with other donors and implementing agencies could be minimized.

D.204.201-4 Applicants shall discuss the role of the field office(s) and home office(s), and provide an organizational chart. Applicants shall also discuss the support capabilities of the home office, including experience in commodity procurement, training, and sub-agreement/(sub)contract awarding and post-award administration.

D.204.201-5 Applicants shall demonstrate an understanding of the technical, managerial, administrative, and clerical support requirements, describe how these requirements will be fulfilled, and describe the roles and responsibilities of each team member. The application shall describe the nature of supervisory/reporting relationships between the members of the applicant's (prime recipient's) team and any sub-recipient's/ (sub)contractors' teams, as well as

the organizational linkages between the applicant (prime recipient) and any sub-recipients/(sub)contractors. If the applicant proposes the use of sub-recipient/(sub)contractor personnel, the application shall explain how potential conflicts between on-the-job relationships and employer-employee relationships will be resolved. Applicants shall clearly describe how they will make maximum use of local professionals in staffing for the cooperative agreement, and identify all key foreign and local personnel that the applicant plans to utilize. Applicants shall also evaluate and describe the utility of a computer database, information and outreach network, and a Management Information System that the applicant and USAID/Zimbabwe may apply to ensure effective program implementation.

D.204.202 Ability to Provide and Retain Proposed Key Personnel

The application shall include a chart (in an annex which will not count against the page limit set forth above) listing the key long-term personnel proposed for all contracts/grants/cooperative agreements awarded to the applicant during the last three years. The chart must include the following: personnel proposed and expected duration of position; key personnel actually performing under the award and the duration of actual assignment; and replacement key personnel, if any, and the reason for the replacement.

D.204.203 Ability to Provide Sub-agreement/(Sub)contract/Scholarship Management Services

The application must demonstrate the applicant's experience in providing sub-agreement, (sub)contract, and scholarship management services for USAID, including solicitation, application review, award, disbursement, financial tracking, results reporting, and post-award administration.

D.204.204 Past Performance

The applicant shall submit, as part of its application, a list of five to ten past or current contracts or subcontracts (including delivery/task orders and purchase orders) or grants and cooperative agreements for efforts similar in size, scope, complexity, and (to the extent possible) technical subject matter to the work required hereunder. The applicant should describe its experience or capability in managing large, multi-year, bilateral projects/activities, with particular/primary emphasis on SOs, IRs, projects, and activities involving implementing community development, capacity-building and scholarship programs in other developing countries. Secondly, HIV/AIDS and other health-related activities should be demonstrated. Specifically, the applicant should provide details on previous experience providing technical, managerial, administrative, clerical, grants/subcontracts, and technical assistance/training services of the type required and working with teams within USAID's reengineered system. The applicant shall include information on any problems encountered, and the applicant's corrective action(s). Applicants shall not provide general information on their performance. Applicants may describe any quality awards or certificates that indicate exceptional capacity to conduct the program described in this RFA. The list shall provide the prime contract/grant/cooperative agreement number (if known) and project/activity title and number, place(s) of performance, and, for each such contract or subcontract, grant, or cooperative agreement, the names and telephone numbers of the clients (the CTO/COTR/project officer and the Contracting Officer). The list should be included in an annex to the technical application which will not count against the page limit described above. USAID shall consider the information provided, as well as information obtained from other sources, in the evaluation of the applicant's past performance, and shall determine the relevance

of similar past performance information. It is recommended that the applicant alert the contacts that their names have been submitted and that they are authorized to provide past performance information when requested. Past performance information will be used for both the responsibility determination (see Section D.303.7 of this RFA) and the best value decision (see Section D.107.1 of this RFA).

D.3. SPECIFIC INSTRUCTIONS FOR COST/MANAGEMENT APPLICATIONS

D.301 The cost/management application will be reviewed in accordance with Section C.2. of this RFA. The cost/management application must provide, in detail, a line item budget (using the line items discussed below) which sets forth the basis for estimated costs which are proposed to be expended in furtherance of the work to be conducted under the cooperative agreement, including those to be funded by USAID, those to be funded by non-federal matching contributions (cash or in-kind) to be provided by the applicant and third parties, and those to be funded by any other federal contributions to be provided either by USAID (under arrangements other than the cooperative agreement) or by other U.S. Government agencies. The budget shall contain a separate column for each source of funds/contributions (USAID, non-federal, and other federal). It shall include whatever schedules and notes are necessary to adequately support and/or explain proposed costs. It is recognized that it may be difficult for the applicant to project actual needs and costs. Accordingly, estimates, based on assumptions, are acceptable. However, the applicant must indicate the basis of the estimate, and/or the assumptions on which the estimate is based, in order to permit the Agreement Officer to determine whether estimated costs are fair and reasonable, necessary, allowable, allocable, and realistic. Please note that 22 CFR 226.25 provides a great deal of flexibility to the Recipient to make budget adjustments during the cooperative agreement period without the need to obtain prior approval from the Agreement Officer.

D.302 Applicants shall submit the cost/management application in sealed envelopes clearly marked on the outside with the following information:

Cost/Management Application
RFA No. 690-01-002
Zimbabwe HIV/AIDS Orphans and Vulnerable Children

D.303 The cost/management application must contain the following information and must be organized in the following manner. The cost/management application shall contain a Table of Contents with page numbers indicated. All pages must be sequentially numbered, and there must be a colored divider page between each part or a tab at the first page of each part. Failure to include all information, or to organize the application in the manner prescribed, may result in rejection of the application as being unacceptable. The cost/management application shall include the following:

D.303.1 Part 1 - Application for Federal Assistance (SF-424)

The applicant shall submit Standard Form 424 (SF-424), which is set forth in Section J of this RFA. On SF-424, please enter "N/A" in the Blocks entitled "Applicant Identifier," "Date Received by State," "State Application Identifier," "Date Received by Federal Agency," "Federal Identifier," and "Catalog of Federal Domestic Assistance Number."

D.303.2 Part 2 - Budget Information - Non-Construction Programs (SF-424A)

Please enter "N/A" in the Block on Standard Form 424A (see Section J of this RFA) entitled "Catalog of Federal Domestic Assistance Number" (Column {b} of Section A). In Section A of SF-424A, only Row 1 needs to be completed and only Columns {e}, {f}, and {g} need to be completed; and in Section B of SF-424A, only Column {1} needs to be completed. In Section C of SF-424, use Column (c) for other federal contributions, and only Row 8 needs to be completed. Omit Sections D and E of SF-424A. Standard Form 424A should be supplemented by additional cost breakdowns/details, as described below.

D.303.3 Part 3 - Summary Budget

The applicant should include a copy of the summary budget.

D.303.4 Part 4 - Detailed Budget Breakdown (Applicant)

The applicant shall provide a detailed budget breakdown in sufficient detail to permit cost analysis, as described below. The detailed budget breakdown shall follow the budget format, including the major budget line items, set forth below, and shall be broken-down by year. The application shall include a subtotal for each budget line item. Each page shall indicate the applicable year and the applicant's name clearly marked at the top of each page, as follows:

D.303.401 Direct Salaries and Wages

A detailed indication of level of effort, including the position titles, names of proposed individuals to fill each position (if known), number of units (days, months, FTEs) for each position, proposed unit rate(s) for each position, and the total direct salaries and wages. Anticipated salary increases during the term of the cooperative agreement may be included, but the percentage of increase and the anticipated date(s) of increase must be specified. The level of effort and position titles must be consistent with the technical application.

D.303.402 Fringe Benefits

D.303.402-1 Fringe benefits, if not included in direct labor or indirect costs, shall be shown as a percentage of salaries, and shall indicate the individuals to whom the fringe benefit rate(s) apply, the salary of each individual, the total fringe benefit costs for each individual, and the total fringe benefits.

D.303.402-2 Unless the negotiated indirect cost rate agreement (see Section D.303.403 below) specifies the fringe benefit rate(s), the proposed rate(s) shall be supported by a detailed breakdown comprised of all items of fringe benefits (e.g., unemployment insurance, retirement, workers' compensation, health and life insurance, FICA, etc.) and the costs of each, expressed in dollars and as a percentage of salaries.

D.303.403 Indirect Costs (Overhead)

D.303.403-1 Estimated indirect costs shall be in accordance with the standard entitled "Negotiated Indirect Cost Rates - Predetermined," "Negotiated Indirect Cost Rates - Provisional (Nonprofits)," or "Negotiated Indirect Cost Rates - Provisional (For-Profits)," as applicable. These standard provisions may be found on the worldwide web at:

D.303.403-2 The budget shall be structured in such a way as to permit easy identification and application of home office/on-campus and off-site/off-campus rates, if applicable, the base to which the rate(s) is (are) applied, and the applicant's fiscal year (e.g., October 1 through September 30).

D.303.403-3 To substantiate the rate(s) and the base(s) of application, the applicant must submit a copy of its current negotiated indirect cost rate agreement (NICRA), signed by the cognizant U.S. Government audit agency (see Section D.303.8 below). The applicant shall also provide the name and address of the cognizant U.S. Government Audit Agency, and the name and telephone number of the cognizant auditor, if other than USAID.

D.303.403-4 If the applicant does not have a cognizant U.S. Government Audit Agency and/or NICRA, the applicant must submit sufficient information to allow USAID to determine the reasonableness of the rates without a full-scale pre-award audit, *e.g.*, audited balance sheets and profit and loss statements for the last two complete years and the current year to date (or such lesser period of time if the applicant is a newly-formed organization). The profit and loss statements should include the total costs of goods and services sold, including a listing of the various indirect administrative costs, and be supplemented by information on the applicant's customary indirect cost allocation method, together with supporting computations of the basis for the indirect cost rates proposed (*e.g.*, a breakdown of labor bases and overhead pools, the method of determining the rate, annual financial statements, etc.).

D.303.403-5 Unless the subject is addressed in the NICRA, the applicant must describe when the home office/on-campus rate vs. the off-site/off-campus rate is applied.

D.303.403-6 If the applicant proposes to charge less than its full indirect cost rate to the cooperative agreement, or proposes not to charge indirect costs, the applicant will still incur indirect costs at the full rate. In such circumstances, the difference between the rate to be charged to the cooperative agreement and the applicant's full indirect cost rate must be reflected as a matching contribution.

D.303.404 Consultants/Short-term Technical Assistance

The budget must specify the position title(s), name(s) of proposed individual(s) to fill the position(s), if known, number of units (days, months, FTEs) for each position, proposed unit rate(s) for each position, and the total consultant costs. The level of effort and position titles must be consistent with the staffing plan (see Section D.204.105 above).

D.303.405 Travel, Transportation, and Per Diem

D.303.405-1 Estimated travel and transportation costs shall be in accordance with the standard provisions entitled "International Air Travel and Transportation" and "Ocean Shipment of Goods." which can be found on the worldwide web at:
<http://www.usaid.gov/pubs/ads/>

D.303.405-2 The budget shall specify, for each traveler, purpose, the itinerary (in terms of locations, and, if possible, dates), the estimated airfares (pursuant to the applicable federal cost principles, USAID will only reimburse the costs of less-than-first-class air travel for non-for-profit organizations, and of lowest customary standard coach [or equivalent] air travel

for for-profit firms and educational institutions), any transportation (*e.g.*, excess baggage, unaccompanied baggage, household effects, privately-owned vehicle) costs (to include the weights, mode of transportation [air, vessel], and unit prices), and the subtotal of all travel and transportation costs.

D.303.405-3 Estimated lodging and subsistence costs must be in accordance with the applicant's established policies and practices which are consistently applied (for applicants which are nonprofit organizations or educational institutions; however, the U.S. Government's per diem rates shall be used as the test of reasonableness and, if the applicant does not have established policies and practices, the U.S. Government per diem rates shall be used) or, if the applicant is a for-profit commercial firm, may not exceed the U.S. Government per diem rates set forth in Section 920 of the Standardized Regulations (Government Civilians, Foreign Areas), and should specify, for each traveler and for each trip, the location(s), the number of days in each location, the daily rate for each location, and the total lodging and subsistence costs. The lodging and subsistence costs must be consistent with the travel itinerary and the level of effort. U.S. Government per diem rates may be found on the worldwide web at: <http://www.gsa.gov/travel.htm>, and, as of January 2001, is US\$185 for Harare.

D.303.405-4 For miscellaneous travel expenses such as ground transportation/taxis, airport taxes/transfers, or in-country travel, the basis for the estimate must be indicated, rather than a lump-sum amount. For example, ground transportation/taxis might be \$100, based on 2 round-trips @ \$50; airport taxes/transfers might be \$40, based on 2 round-trips @ \$20; and in-country travel might be \$500, based on 20 days @ \$25.

D.303.405-5 The budget must distinguish between domestic (U.S.) and international travel.

D.303.405-6 The budget shall also include the total travel, transportation, and per diem costs.

D.303.406 Overseas Allowances

Overseas allowances (excluding per diem and shipping/storage allowances, which shall be budgeted under "Travel, Transportation, and Per Diem," above) shall be in accordance with the applicant's established policies and practices which are consistently applied. The Standardized Regulations (Government Civilians, Foreign Areas) shall be used as a test of reasonableness for overseas allowances. The Standardized Regulations (Government Civilians, Foreign Areas) may be found on the worldwide web at <http://www.state.gov/www/perdiems/dssr/regs000.html>.

D.303.407 Nonexpendable Equipment

The detailed budget breakdown for purchases of nonexpendable equipment and long-term lease of motor vehicles shall include the types and quantities of nonexpendable personal property to be purchased, the unit prices, and the total costs. The types and quantities of nonexpendable personal property must be consistent with the information provided in the technical application.

D.303.408 Training

Training costs, if any, shall be in accordance with ADS-253, and a complete budget breakdown shall be provided.

D.303.409 Other Direct Costs (ODCs)

ODCs include costs such as communications and postage, passports/visas, medical exams/inoculations (for international travel), insurance (extra insurance such as medical evacuation for international travel), expendable supplies and materials (as distinct from nonexpendable equipment), report preparation/reproduction, etc. Again, the basis for each estimate should be indicated. For example, communications costs might be \$600, based on 12 months at \$50. Report reproduction might be \$40, based on 4 reports of 100 pages each @ \$0.10 per page. Expendable supplies and materials must indicate the types of supplies, the quantity of each, the unit price for each, and total costs.

D.303.410 Subagreements/(Sub)contracts

The applicant's budget shall include a lump sum for each subagreement/(sub)contract, and identify the subrecipient/(sub)contractor, if known. The lump-sum(s) must be consistent with the detailed subrecipient/(sub)contractor budgets described in Section D.303.5 below. The cost/management application must indicate whether the instrument will be a (sub)contract or subagreement (see ADS-304 for a discussion of the difference between acquisition ([sub]contracts) and assistance (subagreements). (Sub)contracts are subject to 22 CFR 226.40-49 and the standard provision entitled "USAID Eligibility Rules for Goods and Services." Subagreements are subject to the standard provision entitled "Subagreements." which can be found on the worldwide web at: <http://www.usaid.gov/pubs/ads/>

D.303.5 Part 5 - Subrecipient/(Sub)contractor Budgets

Following the applicant's detailed budget breakdown, detailed budget breakdowns for each subrecipients/(sub)contractor shall be presented. Subrecipient/(sub)contractor budgets shall not be intermingled. The first page shall be a summary budget, following the same budget format and line items as are set forth in Section D.303.4 above, for the full term of the subagreement/(sub)contract. Following the summary budget, a detailed budget breakdown for each year shall be presented in accordance with the instructions provided in Section D.303.4 above for the applicant. Each page shall have the year and the subrecipient's/(sub)contractor's name (if known) clearly marked, and be signed and dated by an authorized representative of the subrecipient/(sub)contractor. A tab or colored divider page shall separate each subrecipient's/(sub)contractor's detailed budget breakdown.

D.303.6 Part 6 - Costs of Communications Products

Pursuant to the standard provision entitled "Communications Products," the application must, to the maximum practicable extent, include the estimated costs, with a complete cost breakdown, for each communications product for which USAID approval is required pursuant to said standard provision. For printed materials, note the definition contained in paragraph (a) of the standard provision which excludes non-color photocopy material from the requirement for USAID approval. This standard provision may be found on the worldwide web at: <http://www.usaid.gov/pubs/ads/>

D.303.7 Part 7 - Evidence of Responsibility

Applicants must submit sufficient evidence of responsibility for the Agreement Officer to make an affirmative determination of responsibility. The information submitted should substantiate that the applicant:

D.303.701 Has adequate financial resources or the ability to obtain such resources as required during the performance of the cooperative agreement.

D.303.702 Has the ability to comply with the cooperative agreement conditions, taking into account all existing and currently prospective commitments of the applicant, nongovernmental and governmental.

D.303.703 Has a satisfactory record of performance.

D.303.704 Has a satisfactory record of integrity and business ethics;

D.303.705 Has the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;

D.303.706 Has the necessary equipment and facilities, or the ability to obtain them; and

D.303.707 Is otherwise qualified and eligible to receive a cooperative agreement under applicable laws and regulations, and the terms and conditions of this RFA.

D.303.8 Part 8 - Negotiated Indirect Cost Rate Agreement

The application should include a copy of the applicant's (and each subrecipient's/[sub]contractor's) most recent negotiated Indirect Cost Rate Agreement from the cognizant U.S. Government audit agency, and the name, address, and telephone number of the auditor, as discussed under Section D.303.403 above, if applicable.

D.303.9 Part 9 - Certifications, Assurances, and Other Statements of Applicant/Grantee

This part of the application should include the "Certifications, Assurances, and Other Statements of Applicant/Grantee" which are set forth in Section G of this RFA.

D.303.10 Part 10 - Assurances - Nonconstruction Programs (SF- 424B)

This part of the application should include Standard Form 424B, which is set forth in Section J of this RFA.

D.303.11 Part 11 - Self-Certification (If Applicable)

If the applicant has self-certified its policies to USAID/Washington, M/OP/PS/OCC, the applicant should submit a copy of such self-certification in this part of the application. Further information may be found on the worldwide web under "Procurement Reform" at:

<http://www.info.usaid.gov/pubs/ads/300/refindx3.htm#P>

SECTION E – POST-AWARD TECHNICAL REPORTS

E.2. Post-Award Technical Reports⁷

The Recipient shall provide the following technical reports:

E.201 SO- and IR-Level Baseline Data and Performance Targets

E.201.1 With reference to the SO- and IR-level performance o set forth in the Performance Monitoring Plan (PMP) set forth in Attachment 2 (Program Description) of this Cooperative Agreement, the Recipient shall, not later than 150 days from the effective date of this cooperative agreement, submit two copies to the CTO and one copy to the Agreement Officer of proposed SO- and IR-level baseline data and proposed numerical performance targets, broken-down annually over the period of performance of this Cooperative Agreement, for the SO-level indicator entitled “Regular Visits by Volunteers to Households with Vulnerable Children” and all IR-3-level indicators. The annual periods shall correspond to the U.S. Government’s fiscal year (*i.e.*, 1 October through 30 September). The CTO will provide comments within 30 days, and the Recipient shall then submit three copies of the final SO- and IR-level baseline data and numerical performance targets within 15 days of receipt of the CTO’s comments to the CTO for approval (see Section F.103. of this Cooperative Agreement). The SO- and IR-level baseline data and numerical performance targets must be approved by the CTO. Once approved, the numerical performance targets shall supersede those set forth in Attachment 2 (Program Description) of this Cooperative Agreement.

E.201.2 If, at any time, it becomes necessary to revise the approved SO- and IR-level performance indicators or numerical performance targets, the Recipient shall submit proposed revised indicators and/or targets to the CTO and the Agreement Officer, and the procedures described above shall apply. If the performance indicators or numerical performance targets are revised, the Recipient shall submit revised cooperative agreement-level benchmarks and milestones (see Section E.202 below) and a revised workplan (see Section E.203 below) for approval as described in Section F.103. of this Cooperative Agreements.

E.202 Cooperative Agreement-Level Benchmarks and Milestones

E.202.1 Simultaneously with submission of the proposed SO- and IR-level baseline data and numerical performance targets required by Section E.201 above (*i.e.*, not later than 150 days from the effective date of this Cooperative Agreement), the Recipient shall submit two copies to the CTO and one copy to the Agreement Officer of proposed cooperative agreement-level benchmarks and milestones, broken-down annually over the period of performance of this Cooperative Agreement, for the activities planned to be conducted by the Recipient. The annual periods shall correspond to the U.S. Government’s fiscal year (*i.e.*, 1 October through 30 September).

E.202.2 Recognizing that the SO- and IR-level results and numerical performance targets may be outside of the Recipient’s manageable interest to achieve, “cooperative agreement-level benchmarks and milestones” are linked to cooperative agreement-level activities (inputs and outputs/outcomes) -- which are within the Recipient’s manageable interest -- as described in Attachment 2 (Program Description) of this Cooperative Agreement and in more detail in the Cooperative Agreement-Level Annual Workplans (see Section E.203 below). In contrast, “SO-

⁷ The following technical reporting requirements will be part of the Cooperative Agreement to be awarded as a result of this RFA.

and IR-level performance indicators” are linked to the SO- and IR-level results and numerical performance targets. While the Recipient is encouraged to strive for achievement of SO- and IR-level results and numerical performance targets, the Recipient’s performance will be evaluated against the cooperative agreement-level benchmarks and milestones, as well as the degree to which the Recipient uses its best efforts to achieve the SO- and IR-level results and numerical performance targets. The CTO will provide comments within 30 days, and the Recipient shall then submit three copies of the cooperative agreement-level benchmarks and milestones within 15 days of receipt of the CTO’s comments to the CTO for approval. The cooperative agreement-level benchmarks and milestones must be approved by the CTO (see Section F.103. of this Cooperative Agreement). Once approved, they shall supersede those set forth in Attachment 2 (Program Description) of this Cooperative Agreement.

E.202.3 If, at any time, it becomes necessary to revise the approved cooperative agreement-level benchmarks and milestones, the Recipient shall submit proposed revised cooperative agreement-level benchmarks and milestones to the CTO and the Agreement Officer, and the procedures described above shall apply. If the cooperative agreement-level benchmarks and milestones are revised, the Recipient shall submit a revised workplan (see Section E.203 below).

E.203 Cooperative Agreement-Level Annual Workplans

E.203.1 Simultaneously with submission of the proposed SO- and IR-level baseline data and numerical performance targets required by Section E.201 above and the cooperative agreement-level benchmarks and milestones required by Section E.202 above (*i.e.*, not later than 150 days from the effective date of this Cooperative Agreement), the Recipient shall submit two copies to the CTO and one copy to the Agreement Officer, of a draft annual workplan, delineated by calendar quarters, and covering the period from Cooperative Agreement inception through 30 September 2002. The workplan shall include the activities planned to be conducted and the sites where they will be conducted; the outputs/outcomes which the Recipient expects to achieve, linked to the SO- and IR-level results and numerical performance targets and the cooperative agreement-level benchmarks and milestones required by Sections E.201 and E.202 above; and the inputs planned to be provided by the Recipient, during the workplan period. The workplan will also include the identification of selection committee members for the local partner that will manage the scholarship fund. If the workplan does not identify the selection committee members, the recipient will submit a revised workplan once the selection committee members are identified. The workplan will also include selection criteria for the local partner that will implement/manage the Scholarship Program, and selection criteria for other subrecipients and (sub)contractors (other than those with which the applicant proposes to team for implementation of the program) and a boilerplate (sub)contract format. The workplans will also include the Recipient's planned international travel, as described in paragraph (a)(1) of the Standard Provision of this Cooperative Agreement entitled "International Air Travel and Transportation." Included shall be an explanation of how those cooperative agreement-level outputs/outcomes are expected to achieve SO- and IR-level results and numerical performance targets. The CTO shall review the draft annual workplan, and shall provide comments within 30 days from receipt. Thereafter, the Recipient shall submit three copies of the final workplan within 15 days of receipt of the CTO’s comments to the CTO for approval (see Section F.101. of this Cooperative Agreement).

E.203.2 The Recipient shall submit two copies to the CTO and one copy to the Agreement Officer, of draft annual workplans for subsequent years, covering the next period from 1 October through 30 September, not later than 31 July of each year, and delineated by calendar quarter. The workplans shall include the activities planned to be conducted and the sites where they will be conducted; the outputs/outcomes which the Recipient expects to achieve, linked to the SO- and IR-level results and numerical performance targets and the cooperative agreement-level benchmarks and milestones required by Sections E.201 and E.202; the inputs planned to be provided by the Recipient, during the workplan period; selection criteria for the local partner that will implement/manage the Scholarship Program, selection criteria for other subrecipients and (sub)contractors (other those with which the applicant proposes to team for implementation of the program) if different from those previously approved by the CTO; and a boilerplate (sub)contract format if different from that previously approved by the CTO. The workplans will also include the Recipient's planned international travel, as described in paragraph (a)(1) of the Standard Provision of this Cooperative Agreement entitled "International Air Travel and Transportation." Included shall be an explanation of how those cooperative agreement-level outputs/outcomes are expected to contribute to the SO- and IR-level results and numerical performance targets. The CTO shall review the draft annual workplan, and shall provide comments within 30 days from receipt. Thereafter, the Recipient shall submit three copies of the final workplan within 15 days of receipt of the CTO's comments to the CTO for approval (see Section F.101. of this Cooperative Agreement).

E.203.3 All workplans, including significant revisions thereto (a change in sites where the activities will be conducted, or a change in the number of sites or identification of selection committee members for the local partner to implement/manage the Scholarship Program; or a change in the selection criteria for the local partner that will implement/manage the Scholarship Program, or a change in the selection criteria for other subrecipients and [sub]contractors [other than those with which the applicant proposes to team for implementation], or a change in the boilerplate (sub)contract format, constitute significant revisions to the workplan), must be approved by the CTO (see Section F.101 of this Cooperative Agreement). Should revised SO- and IR-level results or numerical performance indicators (see Section E.201 above), or cooperative agreement-level benchmarks and milestones (see Section E.202 above) become necessary, the Recipient shall submit a revised workplan covering the remaining period of the workplan year, following the procedures described above.

E.203.4 The workplan will describe activities to be conducted at a greater level of detail than Attachment 2 (Program Description) of this Cooperative Agreement, but shall be cross-referenced with the applicable sections in the Program Description. All workplan activities must be within the scope of this Cooperative Agreement. Workplan activities shall not change the Program Description or any other terms and conditions of this Cooperative Agreement in any way; such changes may only be approved by the Agreement Officer, in advance and in writing. Thereafter, if there are inconsistencies between the workplan and the Program Description or other terms and conditions of this Cooperative Agreement, the latter will take precedence over the workplan.

E.204 Quarterly Performance Monitoring Reports

Not later than 30 days from the end of each calendar quarter, the Recipient shall submit three copies of a brief progress report to the CTO, covering the calendar quarter just completed. The report shall describe the plan for the reporting period (as set forth in the annual workplan), and accomplishments of the Recipient during the reporting period, including the cooperative agreement-level outputs/outcomes achieved, using the cooperative agreement-level benchmarks and milestones established in the annual workplan for that quarter. Sub-recipient and (sub)contractor quarterly reports shall be included.

E.205 Annual SO- and IR-Level Results Report

E.205.1 Beginning in 2002, the Recipient shall submit three copies of a draft annual SO- and IR-level results report, which shall describe progress using the SO- and IR-level results, performance indicators, and numerical performance targets established pursuant to Section E.201 above, and covering the year ending on the previous December. Because the Cooperative Agreement will only have been awarded recently, a report is not required in 2001. Sub-recipient and (sub)contractor reports shall be included. The draft report shall be submitted to the CTO not later than 15 January, and the CTO will provide comments within 15 days. The Recipient shall then submit three copies to the CTO for approval within 15 days of receipt of the CTO's comments. This report will be used for the Mission's annual R4 submission. An end-of-Cooperative Agreement final results report shall be submitted not later than the estimated completion date of this Cooperative Agreement.

E.206 Proposal for Phase-II (Replication of Successful Interventions)

Not later than six (6) months before the estimated completion date of this Cooperative Agreement, the Recipient shall submit three copies of a proposal to the CTO for implementation of Phase-II (Replication of Successful Interventions).

E.207 Final/Completion Report

The Recipient shall prepare and submit three copies of a final/completion report to the CTO which summarizes the accomplishments of this Cooperative Agreement, methods of work used, and recommendations regarding unfinished work and/or program continuation. The final/completion report shall also contain an index of all reports and information products produced under this Cooperative Agreement. The report shall be submitted not later than the estimated completion date of this Cooperative Agreement.

E.208 Sub-recipient/(Sub)contractor Audits

To the extent that sub-recipients and (sub)contractors are not required to have recipient-contracted audits performed, the Recipient shall, at the direction or with the approval of the Agreement Officer, provide or arrange for annual independent financial audits of the sub-recipients and (sub)contractors. USAID will assist the Recipient in developing the terms of reference for these audits and may clear the terms of reference through the office of the Regional Inspector General.

SECTION F – SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS

F. SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS⁸

[The following are the only areas of substantial involvement permitted by current USAID policy. Not all of them need to be included. Additional areas of substantial involvement may only be included if a deviation is approved by the USAID Assistance Executive in USAID/W.]

It is understood and agreed that USAID will be substantially involved during performance of this Cooperative Agreement as set forth below. The CTO is not authorized to provide any approvals which would constitute: (1) a change to the Program Description set forth in Attachment 2 of this Cooperative Agreement, which may only be approved by the Agreement Officer; (2) a change to the Cooperative Agreement budget set forth in Section 1D. above, unless the Agreement Officer's approval is not required for said budget changes pursuant to 22 CFR 226.25; or (3) an informal commitment pursuant to Section 1I.4. below.

F.101 Annual Workplans

The CTO must approve the annual workplans described in Section E.203 above, including any significant changes/revisions thereto.

F.102 Key Personnel

[Under current USAID policy, no more than 5 key personnel positions or 5% of the recipient's personnel working under the award may generally be included.]

Pursuant to 22 CFR 226.25 whereby the Agreement Officer must approve changes in key personnel, the Agreement Officer hereby delegates authority to the CTO to approve any replacement of key personnel designated below, and, if not designated below, the filling of any key personnel position. Key personnel positions are designated as:

<u>Position</u>	<u>Person</u>
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F.103 Monitoring and Evaluation Plan

The CTO must approve the Recipient's SO- and IR-level numerical performance targets and any changes to the SO- and IR-level performance indicators as described in Section E.201 above, and the Recipient's cooperative agreement-level benchmarks and milestones as described in Section E.202 above, including any significant changes/revisions thereto.

F.104. Subrecipients and Subawards/(Sub)contractors and (Sub)contracts

F.104.1 Pursuant to 22 CFR 226.25(c)(8), whereby the Agreement Officer must approve subawards (as defined in 22 CFR 226.2) that were not identified in the recipient's application (proposal), the Agreement Officer hereby delegates such authority to the CTO if s/he concurs with the selection of the subrecipients (as defined in 22 CFR 226.2) and the substantive provisions of the subawards. The CTO's concurrence on the substantive provisions of the subawards is limited to technical and programmatic matters only; such

⁸ The following substantial involvement understandings will be part of the Cooperative Agreement to be awarded as a result of his RFA.

concurrence shall not extend to "contractual"/ administrative/ financial provisions, which must be in accordance with the terms and conditions of this Cooperative Agreement unless otherwise approved, in advance and in writing, by the Agreement Officer. Pursuant to 22 CFR 226.25(c)(8), whereby the Agreement Officer must approve (sub)contracts that were not identified in the recipient's application, the Agreement Officer hereby delegates such authority to the CTO if s/he concurs with the selection of the (sub)contractors.

The CTO must approve the criteria for and concur on the selection of subrecipients (as defined in 22 CFR 226.2) and/or the substantive provisions of the subawards (as defined in 22 CFR 226.2). The CTO's concurrence on the substantive provisions of the subawards is limited to technical and programmatic matters only; such concurrence shall not extend to "contractual"/administrative/financial provisions, which must be in accordance with the terms and conditions of this Cooperative Agreement unless otherwise approved, in advance and in writing, by the Agreement Officer. Pursuant to 22 CFR 226.25(c)(8), whereby the Agreement Officer must approve subrecipients and (sub)contractors that were not described in the recipient's application (proposal), the Agreement Officer hereby delegates authority to the CTO to approve such subrecipients/(sub)contractors, subject to the recipient's compliance with other terms and conditions of this Cooperative Agreement

F.105 Relationship with Other Entities

F.105.1 The Recipient shall work closely with the key Zimbabwean and international partners of USAID to assure that all activities are collaboratively programmed. USAID intends that coordination and decision-making regarding on-going implementation of activities under the HIV/AIDS Strategic Objective will be ensured through an informal consultative process that will involve customers, partners, and other stakeholders on an on-going, topic-driven basis. Key stakeholders are expected to include but not be limited to offices/representatives of the National AIDS Council, various HIV/AIDS NGOs, the Ministry of Health, the National AIDS Control Programme, local governments, community groups, and other donors. All coordinative activities are expected to occur in Harare, with the Recipient's role being one of participation and cooperation. During implementation, the Recipient shall cooperate and coordinate with the Contractor for RP/IR-2 as it increases advocacy and policy-making capacity within the theme of children affected by AIDS. The Recipient shall also cooperate and coordinate with other implementors under the HIV/AIDS SO.

SECTION G – CERTIFICATIONS



U.S. Agency for International Development

CERTIFICATIONS, ASSURANCES, AND OTHER STATEMENTS OF APPLICANT/GRANTEE^{9 10}

1. ASSURANCE OF COMPLIANCE WITH LAWS AND REGULATIONS GOVERNING NON-DISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS

(a) The applicant/grantee hereby assures that no person in the United States shall, on the bases set forth below, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under, any program or activity receiving financial assistance from USAID, and that with respect to the grant for which application is being made, it will comply with the requirements of:

(1) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352, 42 U.S.C. 2000-d), which prohibits discrimination on the basis of race, color or national origin, in programs and activities receiving Federal financial assistance;

(2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of handicap in programs and activities receiving Federal financial assistance;

(3) The Age Discrimination Act of 1975, as amended (Pub. L. 95-478), which prohibits discrimination based on age in the delivery of services and benefits supported with Federal funds;

(4) Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), which prohibits discrimination on the basis of sex in education programs and activities receiving Federal financial assistance (whether or not the programs or activities are offered or sponsored by an educational institution); and

(5) USAID regulations implementing the above nondiscrimination laws, set forth in Chapter II of Title 22 of the Code of Federal Regulations.

(b) If the applicant/grantee is an institution of higher education, the Assurances given herein extend to admission practices and to all other practices relating to the treatment of students or clients of the institution, or relating to the opportunity to participate in the provision of services or other benefits to such individuals, and shall be applicable to the entire institution unless the applicant/grantee establishes to the satisfaction of the USAID Administrator that the institution's practices in designated parts or programs of the institution will in no way affect its practices in the program of the institution for which financial assistance is sought, or the beneficiaries of, or participants in, such programs.

(c) This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the applicant/grantee by the Agency, including installment payments after such date on account of applications for Federal financial assistance which were approved before such date. The applicant/grantee recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this Assurance, and that the United States shall have the right to seek judicial enforcement of this Assurance. This Assurance is binding on the applicant/grantee, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this Assurance on behalf of the applicant/grantee.

2. CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

(a) Instructions for Certification

(1) By signing and/or submitting this application or grant, the applicant/grantee is providing the certification set out below.

(2) The certification set out below is a material representation of fact upon which reliance was placed when the agency determined to award the grant. If it is later determined that the applicant/grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

⁹ Rev. 06/26/99

¹⁰ When these Certifications, Assurances, and Other Statements of Applicant/Grantee are used for cooperative agreements, the following terms apply: "Grantee" means "Recipient," "Grant" means "Cooperative Agreement," and "Grant Officer" means "Agreement Officer."

- (3) For applicants/grantees other than individuals, Alternate I applies.
- (4) For applicants/grantees who are individuals, Alternate II applies.

(b) Certification Regarding Drug-Free Workplace Requirements

Alternate I

- (1) The applicant/grantee certifies that it will provide a drug-free workplace by:

(A) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the applicant's/grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

- (B) Establishing a drug-free awareness program to inform employees about--

- 1. The dangers of drug abuse in the workplace;
- 2. The applicant's/grantee's policy of maintaining a drug-free workplace;
- 3. Any available drug counseling, rehabilitation, and employee assistance programs; and
- 4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(C) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (b)(1)(A);

(D) Notifying the employee in the statement required by paragraph (b)(1)(A) that, as a condition of employment under the grant, the employee will--

- 1. Abide by the terms of the statement; and
- 2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;

(E) Notifying the agency within ten days after receiving notice under subparagraph (b)(1)(D)1. from an employee or otherwise receiving actual notice of such conviction;

(F) Taking one of the following actions, within 30 days of receiving notice under subparagraph (b)(1)(D)2., with respect to any employee who is so convicted--

- 1. Taking appropriate personnel action against such an employee, up to and including termination; or
- 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(G) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (b)(1)(A), (b)(1)(B), (b)(1)(C), (b)(1)(D), (b)(1)(E) and (b)(1)(F).

(2) The applicant/grantee shall insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

The applicant/grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance in conducting any activity with the grant.

3. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS -- PRIMARY COVERED TRANSACTIONS¹¹

(a) Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meaning set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549.¹² You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction,"¹³ provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the methods and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealing.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

¹¹ The applicant/grantee must obtain from each identified subgrantee and (sub)contractor, and submit with its application/proposal, the Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Transactions, set forth in Attachment A hereto. The applicant/grantee should reproduce additional copies as necessary.

¹² See 22 CFR 208.

¹³ For USAID, this refers to 22 CFR 226.13 and 22 CFR 208 if the applicant/grantee is a U.S. nongovernmental organization, or, if the applicant/grantee is a non-U.S. nongovernmental organization, this refers to the grant standard provision entitled "Debarment, Suspension, and Other Responsibility Matters."

(b) Certification Regarding Debarment, Suspension, and Other Responsibility Matters --Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, the it and its principals:

(A) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(B) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(C) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(B) of this certification;

(D) Have not within a three-year period proceeding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

4. CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities,"¹⁴ in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, United States Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

5. CERTIFICATION REGARDING RESEARCH INVOLVING HUMAN SUBJECTS

(a) The applicant/grantee certifies that the grant [] will [] will not include research involving human subjects.

(b) If the applicant/grantee certifies that the grant will include research involving human subjects in paragraph (a) above, the applicant/grantee further certifies that it has a review committee which has reviewed and approved the proposed research, and must submit: (1) a written

statement of compliance with the requirements of 45 CFR Part 46 regarding initial and continuing review of research involving human subjects; and (2) a description of the applicant's/grantee's review committee structure, its review procedures, and the facilities and personnel available to protect the health and safety of human subjects.

(c) If the applicant/grantee certified that the grant will include research involving human subjects in paragraph (a) above, the applicant/grantee further certifies that the research [] will [] will not involve studies in the U.S. with unmarketed drugs.

(d) If the applicant/grantee certified that the research will involve studies in the U.S. with unmarketed drugs in paragraph (c) above, the applicant/grantee further certifies that either [] the Food and Drug Administration has waived the requirement of 21 CFR Subpart 312.1(a) for a 30-day interval, or [] the required 30-day interval has elapsed, and the Food and Drug Administration has not requested the applicant/grantee to limit the use of such drugs.

¹⁴ Standard Form-LLL can be downloaded from the worldwide website at:
<http://www.whitehouse.gov/omb/grants/index.html#forms>

6. CERTIFICATION REGARDING CARE OF LABORATORY ANIMALS

The applicant/grantee certifies that the grant [] will [] will not involve the use of laboratory animals. If the grant will involve the use of laboratory animals, the applicant/grantee must submit evidence that it is registered with the Secretary of Agriculture of the United States, in accordance with Section 6, Public Law 89-544, Laboratory Animal Welfare Act, August 24, 1966, as amended by Public Law 91-579, Animal Welfare Act of 1970, December 24, 1970. Laboratory animals include any warm-blooded vertebrate animal. The humane principles required by the foregoing legislation also apply to marine mammals and cold-blooded animals, as well as farm animals in the context of their use in biomedical research, but not with their use in research on production agriculture.

7. AUTHORIZED INDIVIDUALS

The applicant/grantee represents that the following persons are authorized to negotiate on its behalf with the Government and to bind the applicant/grantee in connection with this application or grant:

<u>Name</u>	<u>Title</u>	<u>Telephone No.</u>	<u>Facsimile No.</u>
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8. TAXPAYER IDENTIFICATION NUMBER (TIN)

If the applicant/grantee is a U.S. organization, or a foreign organization which has income effectively connected with the conduct of activities in the U.S. or has an office or a place of business or a fiscal paying agent in the U.S., please indicate the applicant's/grantee's TIN:

TIN:

9. DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER

(a) "Data Universal Numbering System (DUNS) number," is a nine-digit number assigned by Dun and Bradstreet Information Services.

(b) Applicant/grantee identification is essential for complying with reporting requirements. Therefore, the applicant/grantee is requested to enter, in the space provided below, the DUNS number which identifies the applicant's/grantee's name and address exactly as stated in the application/award.

(c) If the applicant/grantee does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one. A DUNS number will be provided immediately by telephone at no charge to the applicant/grantee. For information on obtaining a DUNS number, U.S. applicants/grantees should call Dun and Bradstreet at 1-800-333-0505. The applicant/grantee should be prepared to provide the following information:

- (1) Organization name.
- (2) Organization address.
- (3) Organization telephone number.
- (4) Line of business.
- (5) Chief executive officer/key manager.
- (6) Date the organization was started.
- (7) Number of people employed by the organization.
- (8) Organization affiliation.

(d) Applicants/grantees located outside the United States may obtain the location and phone number of the local Dun and Bradstreet Information Services office from the Internet Home Page at <http://www.customerservice@dnb.com>. If an applicant/grantee is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at globalinfo@mail.dnb.com.

DUNS:

10. LETTER OF CREDIT (LOC) NUMBER

If the applicant/grantee has an existing Letter of Credit (LOC) with USAID, please indicate the LOC number:

LOC: 72-00-

11. PROCUREMENT INFORMATION

(a) Applicability. This applies to the procurement of goods and services planned by the applicant/grantee (e., contracts, purchase orders, etc.) from a supplier of goods or services for the direct use or benefit of the applicant/grantee in conducting the program supported by the grant, and not to assistance provided by the applicant/grantee (e., a subgrant or subagreement) to a

subgrantee or subrecipient in support of the subgrantee's or subrecipient's program. Provision by the applicant/grantee of the requested information does not, in and of itself, constitute USAID approval.

(b) Amount of Procurement. Please indicate the total estimated dollar amount of goods and services which the applicant/grantee plans to purchase under the grant:

US\$

(c) Nonexpendable Property/Equipment. If the applicant/grantee plans to purchase nonexpendable property/equipment which would require the approval of the Grant Officer, please indicate below (using a continuation page, as necessary) the types, quantities of each, and estimated unit costs. Nonexpendable property/equipment for which the Grant Officer's approval to purchase is required is any article of nonexpendable tangible personal property charged directly to the grant, having a useful life of more than one year and an acquisition cost of US\$5,000 or more per unit..

<u>Type/Description (Generic)</u>	<u>Quantity</u>	<u>Estimated Unit Cost</u>
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(d) Source, Origin, and Componentry of Goods. If the applicant/grantee plans to purchase any goods/commodities which are not of U.S. source and/or U.S. origin, and/or contains any components from a non-Geographic Code 935 country (*i.e.*, from a foreign policy restricted country¹⁵), please indicate below (using a continuation page, as necessary) the types and quantities of each, estimated unit costs of each, and probable source and/or origin of the components if they contain any components from a non-Geographic Code 935 country. "Source" means the country from which a commodity is shipped to the cooperating country or the cooperating country itself if the commodity is located therein at the time of purchase. However, where a commodity is shipped from a free port or bonded warehouse in the form in which received therein, "source" means the country from which the commodity was shipped to the free port or bonded warehouse. Any commodity whose source is a non-Geographic Code 935 country is ineligible for USAID financing. The "origin" of a commodity is the country or area in which a commodity is mined, grown, or produced. A commodity is produced when, through manufacturing, processing, or substantial and major assembling of components, a commercially recognized new commodity results, which is significantly different in basic characteristics or in purpose or utility from its components. Merely packaging various items together for a particular procurement or relabeling items does not constitute production of a commodity. Any commodity whose origin is a non-Geographic Code 935 country is ineligible for USAID financing. Any commodity which contains a component from a non-Geographic Code 935 country makes the commodity ineligible for USAID financing.

<u>Type/Description (Generic)</u>	<u>Quantity</u>	<u>Estimated Unit Cost</u>	<u>Probable Source</u>		<u>Probable Origin</u>	
			<u>Goods</u>	<u>Components</u>	<u>Goods</u>	<u>Components</u>

(e) Restricted Goods. If the applicant/grantee plans to purchase any restricted goods, please indicate below (using a continuation page, as necessary) the types and quantities of each, estimated unit costs of each, intended use, and probable source and/or origin. Restricted goods are Agricultural Commodities, Motor Vehicles, Pharmaceuticals, Pesticides, Rubber Compounding Chemicals and Plasticizers, Used Equipment, U.S. Government-Owned Excess Property, and Fertilizer.

<u>Type/Description (Generic)</u>	<u>Quantity</u>	<u>Estimated Unit Cost</u>	<u>Intended Use</u>	<u>Probable Source</u>	<u>Probable Origin</u>
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(f) Supplier Nationality. If the applicant/grantee plans to purchase any goods or services from suppliers of goods and services whose nationality is not in the U.S., please indicate below (using a continuation page, as necessary) the types and quantities of each good or service, estimated costs of each, probable nationality of each non-U.S. supplier of each good or service, and the rationale for purchasing from a non-U.S. supplier. Any supplier whose nationality is a non-Geographic Code 935 country is ineligible for USAID financing.

<u>Type/Description (Generic)</u>	<u>Quantity</u>	<u>Estimated Unit Cost</u>	<u>Probable Supplier Nationality (Non-U.S. Only)</u>	<u>Rationale for non-U.S.</u>
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¹⁵ Foreign policy restricted countries are: Afghanistan, Libya, Vietnam, Cuba, Cambodia, Laos, Iraq, Iran, North Korea, Syria, and People's Republic of China.

(g) Proposed Disposition. If the applicant/grantee plans to purchase any nonexpendable equipment which is anticipated to have a per-unit current fair market value at the time of disposition of: (1) US\$5,000 or more if the applicant/grantee is a U.S. nongovernmental organization; or (2) US\$1,000 or more if the applicant/grantee is a non-U.S. nongovernmental organization, please indicate below (using a continuation page, as necessary) the proposed disposition of each such item. Generally, the applicant/grantee may either retain the property for other uses and make compensation to USAID (computed by applying the percentage of federal participation in the cost of the original program to the current fair market value of the property), or sell the property and reimburse USAID an amount computed by applying to the sales proceeds the percentage of federal participation in the cost of the original program (except that the applicant/grantee may deduct from the federal share US\$500 or 10% of the proceeds, whichever is less, for selling and handling expenses), or donate the property to a host country institution, or otherwise dispose of the property as instructed by USAID.

<u>Type/Description (Generic)</u>	<u>Quantity</u>	<u>Estimated Unit Cost</u>	<u>Proposed Disposition</u>
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12. PAST PERFORMANCE REFERENCES

On a continuation page, please provide a list of the ten most current U.S. Government and/or privately-funded contracts, grants, cooperative agreements, etc., and the name, address, and telephone number of the Contract/Grant Officer or other contact person.

13. TYPE OF ORGANIZATION

The applicant/grantee, by checking the applicable box, represents that -

(a) If the applicant/grantee is a U.S. entity, it operates as ☐ a corporation incorporated under the laws of the State of , ☐ an individual, ☐ a partnership, ☐ a nongovernmental nonprofit organization, ☐ a state or local governmental organization, ☐ a private college or university, ☐ a public college or university, ☐ an international organization, or ☐ a joint venture; or

(b) If the applicant/grantee is a U.S. entity, it ☐ is, ☐ is not a Gray Amendment entity, as defined below.

(c) If the applicant/grantee is a Gray Amendment Entity, it is ☐ a business concern (as defined in 48 CFR 19.001) owned and controlled by socially and economically disadvantaged individuals (as defined in 48 CFR 726.101), ☐ an institution designated by the Secretary of Education, pursuant to 34 CFR 608.2, as a historically black college or university (HBCU), ☐ a college or university having a student body in which more than 40% of the students are Hispanic American, or ☐ a private voluntary organization which is controlled by individuals who are socially and economically disadvantaged (as defined in 48 CFR 726.101).

(d) If the applicant/grantee is a non-U.S. entity, it operates as ☐ a corporation organized under the laws of (country), ☐ an individual, ☐ a partnership, ☐ a nongovernmental nonprofit organization, ☐ a nongovernmental educational institution, ☐ a governmental organization, ☐ an international organization, or ☐ a joint venture.

14. ESTIMATED COSTS OF COMMUNICATIONS PRODUCTS

The following are the estimate(s) of the cost of each separate communications product (i.e., any printed material [other than non-color photocopy material], photographic services, or video production services) which is anticipated under the grant. Each estimate must include all the costs associated with preparation and execution of the product. Use a continuation page as necessary.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion
Lower Tier Covered Transactions

(a) Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, has the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549.¹⁶ You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction,"¹⁷ without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non procurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

(b) Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Solicitation No.

Application/Proposal No.

Date of Application/Proposal

Name of Applicant/Subgrantee

Typed Name and Title

Signature _____ Date

¹⁶ See 22 CFR 208.

¹⁷ For USAID, this refers to 22 CFR 226.13 and 22 CFR 208 if the applicant/grantee is a U.S. nongovernmental organization, or, if the applicant/grantee is a non-U.S. nongovernmental organization, this refers to the grant standard provision entitled "Debarment, Suspension, and Other Responsibility Matters."

**SECTION H – STANDARDS FOR USAID-FUNDED COMMUNICATIONS
PRODUCTS**

A. STANDARDS FOR USAID-FUNDED PUBLICATIONS

The following standards are intended as general guidelines for the production of USAID-funded publications that fall within the scope of those requiring USAID (LPA) approval.

The purpose of establishing basic standards is to enable LPA to work in a cooperative effort with agency bureaus and field missions to produce informative, professional and cost-effective products that meet the needs of a designated audience. The audience and distribution plans must be clearly defined and justification given that a real need exists for the proposed publication.

We are fully aware that there will be situations that warrant exceptions to these standards. Exceptions will be made by LPA on a case-by-case basis.

I. Publications Intended for a U.S. Audience, Including Congress:

A. Use of color: Two-color maximum for both cover and text (black or blue ink, generally used for text, counts as one color). In the case of publications such as conference proceedings, one color is the standard.

B. Paper: For both cover and text, use the most cost-effective stock that suits the publication's purpose. Make every effort to use recycled paper. Do not use heavy stock.

C. Photos: Black-and-white.

D. Content: Emphasize results achieved toward sustainable development through USAID programs.
NOTE: In most cases, LPA will ask for a separate textual (ASCII) version of the final document for possible posting on USAID's Internet, which at present can support text only.

E. Design: Avoid expensive folds/paper cuts, inserts/foldouts, die cuts, embossing, foil stamps and other design elements that add additional expense.

II. Reports Required by Congress

Most reports should be in typewritten, xeroxed format and respond specifically to what is required by statute.

III. Use of Metric Units of Measurement

Unless a waiver is granted, metric units are to be used in accordance with Executive Order 12770. Traditional units may be shown in parentheses after metric.

IV. Use of Agency Logo

The USAID logo (or the name of the agency written out) should be displayed prominently, e.g., on the cover or title page.

V. Approval Form

LPA is developing a "request-for-approval" form that will be put on the agency-wide computer network as a macro to simplify and streamline the approval process. Information that will be required is as follows: type and design/format of publication; justification for its need; clearly defined audience and distribution plans; print run; budget breakdown including costs for photographic services (if a contract photographer is used), writing, editing, design, layout and printing; whether OE or program funds are being used; and plans to evaluate the effectiveness of the product.

B. STANDARDS FOR USAID-FUNDED VIDEO PRODUCTIONS

The following standards are intended as general guidelines for USAID-funded video productions that require USAID (LPA) approval.

The purpose of establishing these basic standards is to enable LPA to work in cooperation with agency bureaus and field missions to produce informative, professional and cost-effective programs that meet the needs of the designated audience. The audience and distribution plans must be clearly defined. The purpose and production plans must be justified and must support a real need.

We are aware that USAID video productions generally fall into two categories--those produced for information/education of U.S. audiences, and those produced with program funds for largely foreign audiences. These guidelines will help missions decide which programs warrant video productions and how these should be produced.

We are also aware that certain situations will justify exceptions to these standards. Exceptions will be made by LPA on a case-by-case basis.

I. Basic Guidelines

A. Content: Videos intended for U.S. audiences, including Congress, should portray concrete results or chronicle a USAID success story. The video should not be a "promo" for a contractor or a specialized technical report aimed at a narrow audience of experts. Videos produced with program funds for foreign audiences would usually be training tapes or other instructional material. Also, LPA will not approve video recordings of conference proceedings that can more appropriately be shared as written transcripts or audiocassette recordings.

B. Format: The program should be shot in a professional television format: BETA, BETA-SP, or 3/4". Only viewing copies should be made in VHS. Programs may be shot in American TV standard (NTSC) or in PAL or SECAM TV standard.

C. Producers: Direct contracts must comply with OFPP Letter No. 79-4 which establish a "Government-Wide Contracting System for Motion Picture and Videotape Productions" (as required by OFPP by OFPP letter 79-4.) The designated production team must have a track record producing information/education programs or other professional broadcast products. A brief list of previously produced programs should be included.

D. Length: The video should be no more than 15 minutes, unless there is a strong justification.

E. Copies: The number should be determined by the bureau/mission and reflected in the production budget. Viewing copies for NGOs, PVOs and local officials should be in VHS. Copies for local TV placement must be in 3/4" or BETA. A copy of the master of the finished program must be sent to the LPA video archive.

II. Approval Form

To simplify the approval process, LPA is developing a macro for the "request-for-approval" form that will be put on the agency wide computer network. The following information will be required.

A. A general description of the subject of the video.

B. The intended audience and a detailed distribution plan.

C. Whether OE or program funds will be used.

D. Budget breakdown to include costs for the following items:

- Pre-production: research, script, shooting schedule (where the video will be shot);

- Production: how many shooting days (include travel days), how much per day for the crew plus equipment. Please note: where possible, a local crew should be used; and Editing: how many hours, how much per hour, how much for graphics and titles.

E. Discussion of plans to evaluate the script and the "rough cut" for the effectiveness of the product.

Note: All videos produced with USAID funds must be deposited in the LPA video archive. This includes all "source" tapes, plus a copy of the completed master program.

**SECTION I – SPECIAL PROVISION ENTITLED “RESTRICTIONS ON
LOBBYING”**

SPECIAL PROVISION

Entitled

"RESTRICTIONS ON LOBBYING"

Subpart A - General

§227.100 Conditions on Use of Funds.

(a) No appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) Each person who requests or receives from an agency a Federal contract, grant, loan, or cooperative agreement shall file with that agency a certification that the person has not made, and will not make, any payment prohibited by paragraph (a) of this section.

(c) Each person who requests or receives from an agency a Federal contract, grant, loan, or a cooperative agreement shall file with that agency a disclosure form (SF-LLL), if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action), which would be prohibited under paragraph (a) of this section if paid for with appropriated funds.

(d) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a statement whether that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with that loan insurance or guarantee.

(e) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a disclosure form (SF-LLL) if that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with that loan insurance or guarantee.

§227.105 Definitions.

For purposes of this part:

(a) Agency, as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

(b) Covered Federal action means any of the following Federal actions:

- (1) The awarding of any Federal contract;
- (2) The making of any Federal grant;

- (3) The making of any Federal loan;
- (4) The entering into of any cooperative agreement; and,
- (5) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan. Loan guarantees and loan insurance are addressed independently within this part.

(c) Federal contract means an acquisition contract awarded by an agency, including those subject to the Federal Acquisition Regulation (FAR), and any other acquisition contract for real or personal property or services not subject to the FAR.

(d) Federal cooperative agreement means a cooperative agreement entered into by an agency.

(e) Federal grant means an award of financial assistance in the form of money, or property in lieu of money, by the Federal Government or a direct appropriation made by law to any person. The term does not include technical assistance which provides services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, loan insurance, interest subsidies, insurance, or direct United States cash assistance to an individual.

(f) Federal loan means a loan made by an agency. The term does not include loan guarantee or loan insurance.

(g) Indian tribe and tribal organization have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

(h) Influencing or attempting to influence means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

(i) Loan guarantee and loan insurance mean an agency's guarantee or insurance of a loan made by a person.

(j) Local government means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

(k) Officer or employee of an agency includes the following individuals who are employed by an agency:

(1) An individual who is appointed to a position in the Government under title 5, U.S. Code, including a position under a temporary appointment:

(2) A member of the uniformed services as defined in section 101(3), title 37, U.S. Code;

(3) A special Government employee as defined in section 202, title 18, U.S. Code; and,

(4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, U.S. Code appendix 2.

(1) Person means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

(m) Reasonable compensation means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

(n) Reasonable payment means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

(o) Recipient includes all contractors, subcontractors at any tier, and sub grantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

(p) Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement or a commitment providing for the United States to insure or guarantee a loan, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, cooperative agreement, loan insurance commitment, or loan guarantee commitment. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

(q) State means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

§227.110 Certification and Disclosure.

(a) Each person shall file a certification, and a disclosure form, if required, with each submission that initiates agency consideration of such person for:

(1) Award of a Federal contract, grant, or cooperative agreement exceeding \$100,000; or

(2) An award of a Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000.

(b) Each person shall file a certification, and a disclosure form, if required, upon receipt by such person of:

(1) A Federal contract, grant, or cooperative agreement exceeding \$100,000; or

(2) A Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000, unless such person previously filed a certification, and a disclosure form, if required, under paragraph (a) of this section.

(c) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraphs (a) or (b) of this section. An event that materially affects the accuracy of the information reported includes:

(1) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or

(2) A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or,

(3) A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

(d) Any person who requests or receives from a person referred to in paragraphs (a) or (b) of this section:

(1) A subcontract exceeding \$100,000 at any tier under a Federal contract;

(2) A subgrant, contract, or subcontract exceeding \$100,000 at any tier under a Federal grant;

(3) A contract or subcontract exceeding \$100,000 at any tier under a Federal loan exceeding \$150,000; or,

(4) A contract or subcontract exceeding \$100,000 at any tier under a Federal cooperative agreement, shall file a certification, and a disclosure form, if required, to the next tier above.

(e) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraphs (a) or (b) of this section. That person shall forward all disclosure forms to the agency.

(f) Any certification or disclosure form filed under paragraph (e) shall be treated as a material representation of fact upon which all receiving tiers shall rely. All liability arising from an erroneous representation shall be borne solely by the tier filing that representation and shall not be shared by any tier to which the erroneous representation is forwarded. Submitting an erroneous certification or disclosure constitutes a failure to file the required certification or disclosure, respectively. If a person fails to file a required certification or disclosure, the United States may pursue all available remedies, including those authorized by section 1352, title 31, U.S. Code.

(g) For awards and commitments in process prior to December 23, 1989, but not made before that date, certifications shall be required at award or commitment, covering activities occurring between December 23, 1989, and the date of award or commitment. However, for awards and commitments in process prior to the December 23, 1989 effective date of these provisions, but not made before December 23, 1989, disclosure forms shall not be required at time of award or commitment but shall be filed within 30 days.

(h) No reporting is required for an activity paid for with appropriated funds if that activity is allowable under either Subpart B or C.

Subpart B - Activities by Own Employees

§227.200 Agency and Legislative Liaison.

(a) The prohibition on the use of appropriated funds, in §227.100(a), does not apply in the case of a payment of reasonable compensation made to an officer or employee -of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.

(b) For purposes of paragraph (a) of this section, providing any information specifically requested by an agency or Congress is allowable at any time.

(c) For purposes of paragraph (a) of this section, the following agency and legislative liaison activities are allowable at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) For purposes of paragraph (a) of this section, the following agencies and legislative liaison activities are allowable only where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and,

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by this section are allowable under this section.

§227.205 Professional and Technical Services.

(a) The prohibition on the use of appropriated funds, in §227.100(a), does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement or an extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract, grant, loan, or cooperative agreement or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract, grant, loan, or cooperative agreement.

(b) For purposes of paragraph (a) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example drafting of a legal document accompanying a bid or

proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by this section are allowable under this section.

§227.210 Reporting.

No reporting is required with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

Subpart C - Activities by Other than Own Employees

§227.300 Professional and Technical Services.

(a) The prohibition on the use of appropriated funds, in §227.100(a), does not apply in the case of any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action, if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract, grant, loan, or cooperative agreement or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract, grant, loan, or cooperative agreement.

(b) The reporting requirements in §227.110 (a) and (b) regarding filing a disclosure form by each person, if required, shall not apply with respect to professional or technical services rendered directly in the preparation, submission, or negotiation of any commitment providing for the United States to insure or guarantee a loan.

(c) For purposes of paragraph (a) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting or a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are

not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(d) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(e) Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(f) Only those services expressly authorized by this section are allowable under this section.

Subpart D - Penalties and Enforcement

§227.400 Penalties.

(a) Any person who makes an expenditure prohibited herein shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

(b) Any person who fails to file or amend the disclosure form (SF-LLL) to be filed or amended if required herein, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(c) A filing or amended filing on or after the date on which an administrative action for the imposition of a civil penalty is commenced does not prevent the imposition of such civil penalty for a failure occurring before that date. An administrative action is commenced with respect to a failure when an investigating official determines in writing to commence an investigation of an allegation of such failure.

(d) In determining whether to impose a civil penalty, and the amount of any such penalty, by reason of a violation by any person, the agency shall consider the nature, circumstances, extent, and gravity of the violation, the effect on the ability of such person to continue in business, any prior violations by such person, the degree of culpability of such person, the ability of the person to pay the penalty, and such other matters as may be appropriate.

(e) First offenders under paragraphs (a) or (b) of this section shall be subject to a civil penalty of \$10,000, absent aggravating circumstances. Second and subsequent offenses by persons shall be subject to an appropriate civil penalty between \$10,000 and \$100,000, as determined by the agency head or his or her designee.

(f) An imposition of a civil penalty under this section does not prevent the United States from seeking any other remedy that may apply to the same conduct that is the basis for the imposition of such civil penalty.

§227.405 Penalty Procedures.

Agencies shall impose and collect civil penalties pursuant to the provisions of the Program Fraud and Civil Remedies Act, 31 U.S.C. sections 3803 (except subsection (c)), 3804, 3805, 3806, 3807, 3808, and 3812, insofar as these provisions are not inconsistent with the requirements herein.

§227.410 Enforcement.

The head of each agency shall take such actions as are necessary to ensure that the provisions herein are vigorously implemented and enforced in that agency.

SECTION J – STANDARD FORMS 424, 424A, AND 424B

(If applicants have difficulty printing these forms, they may also be downloaded from the worldwide web at http://www.usaid.gov/procurement_bus_opp/procurement/forms/SF-424/).

INSTRUCTION FOR THE SF424

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET, SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form used by applicants as a required facesheet for preapplications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

Item:

Entry:

1. Self-explanatory.
2. Date application submitted to Federal agency (or State if applicable) & applicant's control number (if applicable).
3. State use only (if applicable).
4. If this application is to continue or revise an existing award, enter present Federal identifier number. If for a new project, leave blank.
5. Legal name of applicant, name of primary organizational unit which will undertake the assistance activity, complete address of the applicant, and name and telephone number of the person to contact on matters related to this application.
6. Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.
7. Enter the appropriate letter in the space provided.
8. Check appropriate box and enter appropriate letter(s) in the space(s) provided:
 - 'New' means a new assistance award.
 - 'Continuation' means an extension for an additional funding/budget period for a project with a projected completion date.
 - 'Revision' means any change in the Federal Government's financial obligation or contingent liability from an existing obligation.
9. Name of Federal agency from which assistance is being requested with this application.
10. Use the Catalog of Federal Domestic Assistance Number and title of the program under which assistance is requested.
11. Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project.

Item:

Entry:

12. List only the largest political entities affected (e.g., State, counties, cities).
13. Self-explanatory.
14. List the applicant's Congressional District and any District(s) affected by the program or project.
15. Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15.
16. Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.
17. This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.
18. To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)

Standard Form 424

APPLICATION FOR FEDERAL ASSISTANCE

OMB Approval No. 0348-0043

1. TYPE OF SUBMISSION: Application: _____ Construction Preapplication: _____ Construction _____ Non-Construction _____ Non-Construction		2. DATE SUBMITTED _____	Applicant Identifier _____														
3. DATE RECEIVED BY STATE _____		State Application Identifier _____															
		4. DATE RECEIVED BY FEDERAL AGENCY _____		Federal Identifier _____													
5. APPLICANT INFORMATION																	
Legal Name: _____		Organizational Unit: _____															
Address (give city, county, state, and zip code): _____		Name and telephone number of person to be contacted on matters involving this application (give area code) _____															
6. EMPLOYER IDENTIFICATION NUMBER (EIN): _____		7. TYPE OF APPLICANT: (enter appropriate letter in box) 															
8. TYPE OF APPLICATION ___ New ___ Continuation ___ Revision If Revision, enter appropriate letter(s) in box(es) A. Increase Award D. Decrease Duration B. Decrease Award E. Other (specify): _____ C. Increase Duration _____		A. State B. County C. Municipal D. Township E. Interstate F. Intermunicipal G. Special Dist. H. Independent School Dist. I. State Controlled Institution of Higher Learn. K. Indian Tribe L. Individual M. Profit Organization N. Other (Specify): _____															
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE: _____		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: _____															
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): _____		9. NAME OF FEDERAL AGENCY: _____															
13. PROPOSED PROJECT START DATE END DATE _____ _____																	
14. CONGRESSIONAL DISTRICTS OF: a. Applicant _____		b. Project _____															
15. ESTIMATED FUNDING: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">a. Federal</td> <td style="width: 15%;">\$</td> </tr> <tr> <td>b. Applicant</td> <td>\$</td> </tr> <tr> <td>c. State</td> <td>\$</td> </tr> <tr> <td>d. Local</td> <td>\$</td> </tr> <tr> <td>e. Other</td> <td>\$</td> </tr> <tr> <td>f. Program Income</td> <td>\$</td> </tr> <tr> <td>g. TOTAL</td> <td>\$</td> </tr> </table>		a. Federal	\$	b. Applicant	\$	c. State	\$	d. Local	\$	e. Other	\$	f. Program Income	\$	g. TOTAL	\$	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS? a. YES. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS REVIEW ON: DATE _____ b. NO. _____ PROGRAM IS NOT COVERED BY E.O. 12372 _____ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
a. Federal	\$																
b. Applicant	\$																
c. State	\$																
d. Local	\$																
e. Other	\$																
f. Program Income	\$																
g. TOTAL	\$																
17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? _____ Yes If "Yes," attach an explanation. _____ No																	
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.																	
a. Type Name of Authorized Representative _____		b. Title _____	c. Telephone Number _____														
d. Signature of Authorized Representative _____		e. Date Signed _____															

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Standard Form 424 (REV 4-92)
Prescribed by OMB Circular A-102

SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		\$	\$	\$	\$	\$
2.						
3.						
4.						
5. Totals		\$	\$	\$	\$	\$

SECTION B - BUDGET CATEGORIES					
Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
a. Personnel	\$	\$	\$	\$	\$
b. Fringe Benefits					
c. Travel					
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges (sum of 6a-6h)					
j. Indirect Charges					
k. TOTALS (sum of 6i and 6j)	\$	\$	\$	\$	\$

7. Program Income	\$	\$	\$	\$	\$
-------------------	----	----	----	----	----

SECTION C - NON-FEDERAL RESOURCES					
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS	
8.	\$	\$	\$	\$	
9.					
10.					
11.					
12. TOTAL (sum of lines 8-11)	\$	\$	\$	\$	
SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	\$	\$	\$	\$	\$
13. Federal					
14. Non-Federal					
15. TOTAL (sum of lines 13 and 14)	\$	\$	\$	\$	\$
SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT					
(a) Grant Program	FUTURE FUNDING PERIODS (Years)				
	(b) First	(c) Second	(d) Third	(e) Fourth	
16.	\$	\$	\$	\$	
17.					
18.					
19.					
20. TOTAL (sum of lines 16-19)	\$	\$	\$	\$	
SECTION F - OTHER BUDGET INFORMATION					
21. Direct Charges:		22. Indirect Charges:			
23. Remarks:					

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ASSURANCES - NON-CONSTRUCTION PROGRAMS (cont'd)

11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (E.O.) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clear Air) Implementation Plans under Section 176(c) of the Clear Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead based paint in construction or rehabilitation of residence structures.
17. Will ensure to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1984 or OMB Circular No. A-133, Audits of Institutions of Higher Learning and other Non-profit Institutions.
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE	
APPLICANT ORGANIZATION		DATE SUBMITTED

ANNEX 1 – COUNTRY STRATEGIC PLAN 2000-2005

Country Strategic Plan*

2000 – 2005

ZIMBABWE



* A "Country Strategic Plan" is the U.S. Agency for International Development's term for the plan of assistance to a host country and its people. It is a flexible document, intended as a means to describe the program to both the host country and to justify to American constituents the use of U.S. Government resources. This version is an abbreviated version of the full Country Strategic Plan. The full document can only be read at either USAID/Zimbabwe or the Zimbabwe Desk in the Office of Southern Africa Affairs, USAID/Washington.

March 2000

United States Agency for International Development
Washington, D.C.

UNCLASSIFIED

TABLE OF CONTENTS

Executive Summary

Important Statistics for Zimbabwe

I. THE STRATEGY 1

A. Mission Goal 1

B. Strategic Objectives, Results Frameworks and Options 3

HIV/AIDS Crisis Mitigated

Enhanced Citizen Participation in Economic and Political Decision-Making

Access to Economic Opportunity for Disadvantaged Groups Enhanced

D. Linkages to Partners and Donors 9

E. Resource Requirements 9

EXECUTIVE SUMMARY

Economic performance disappoints Zimbabweans...

Zimbabwe's economy and polity are deteriorating and the majority of the population lives below the poverty line. The Zimbabwean economy has the highest inflation rate in its history; interest rates are over 55%. Investor confidence is depressed. The already untenable unemployment situation continues to worsen, creating ever-increasing frustration among the well-educated youth who make up over half of the population.

Social services are rapidly deteriorating as the central government is no longer able to provide what once were among the best health and education services on the continent. An estimated 25% of the sexually active population is HIV positive and there will be nearly a million AIDS orphans by 2005; budget allocations to fight HIV/AIDS are wholly inadequate to deal with the gravity of the problem. Government is finding it increasingly difficult to deliver on promises made at independence. Purchasing power is lower now than at independence; land reform has not moved as quickly as anyone had hoped, and there is frustration that the nation is not acting proactively enough to ensure that Zimbabwe is a progressive global competitor in the next millennium.

It is the pace of change that is of greatest concern. Two years ago USAID approved a strategy to phase out development assistance for Zimbabwe that was premised on a growing economy. Instead, economic reform has been slow, the economy has faltered, and the budget for the social sectors is squeezed while the infrastructure is coming apart. The war in the Democratic Republic of Congo is a drain on the national budget; some segments of the population are not convinced of the military intervention's national interest. An increasingly vibrant media have exposed corruption and shown that less than optimal economic and political decision-making are a serious problem. Demonstrations have occurred as prices of basic food commodities consume a growing share of the average Zimbabwean's income; food and fuel shortages are now a daily concern for most households.

...but there remains much hope.

Zimbabwe has a well educated citizenry, a relatively strong physical and manufacturing infrastructure, and an abundant natural resource base. Potential to expand the private sector is vast and investors await a more predictable business climate. Currently, there are targeted opportunities in the areas of tourism, horticulture, privatization of state-owned assets and infrastructure projects. There is an active civil society and a blossoming independent press. The independent judiciary is resolute; Parliament is trying to better represent its constituency -- the people who elect them into office -- and the citizenry better understands that public officials must be held accountable.

USAID has a role to play...

The progress once envisioned for Zimbabwe's "graduation" from development assistance has eroded. Thus, USAID has been given approval by Washington to continue providing assistance to Zimbabwe beyond 2003 albeit at more modest staffing and funding levels. The mission team has responded to the challenge by developing this new strategy, the Country Strategic Plan (CSP). This assistance is meant to help Zimbabwe successfully make the many transitions that are required as it moves into the 21st century.

The Premise of the Country Strategic Plan

Zimbabwe is at an economic and political crossroad. Fortunately, there are strategic opportunities to assist the people and institutions that want to build a strong nation capable of meeting its citizens' needs.

USAID/Zimbabwe's Mission Goal

Supporting Zimbabweans' access to greater and more equitable benefits from their nation's social, political and economic development.

Principal Themes

- "Graduation" in the Zimbabwe context is deferred and USAID's development assistance program will continue beyond 2003;
- Social and other forms of conflict are possible if the livelihood of the majority of the population continues to deteriorate;
- There must be flexibility in USAID's responses to changing circumstances in Zimbabwe;
- USAID will maximize its comparative advantage of a talented Zimbabwean cadre (with a modest American presence); and
- Synergies among donors must and will be enhanced.

The Strategic Objectives

USAID intends to assist in three program areas:

HIV/AIDS Crisis Mitigated

The HIV/AIDS epidemic has propelled Zimbabwe toward a crisis at both the household and national levels. Although there is near universal awareness of the epidemic, this awareness must be translated into sustained behavior change.

Enhanced Citizens' Participation in Economic and Political Decision Making

Lack of opportunity for real participation by the majority in the economic and political arena is a fundamental problem. Promotion of dialogue between civil society and government is a significant step in opening political and economic decision making processes to new ideas and competition.

Access to Economic Opportunities for Disadvantaged Groups Expanded

The economy is in crisis and those most affected are the historically disadvantaged indigenous majority. Marginalized groups, including those affected by HIV/AIDS, can become more fully engaged in the growing informal sector.

Important Statistics for Zimbabwe

Population	Population (millions)	6.4 (1961/62)	12.1 (est. 1999)
	Annual growth rate	3.1% (1982-92)	2.5% (1992-97)
	Urban growth rate	5.3% (est. 1999)	
Economy	Real GDP per head (Z\$)	\$2,410 (1995)	\$2,350 (1997)
	Real GDP growth	4.3 (1997)	1.6 (est. 1998)
	Inflation rate (general)	18.5 (Jan. 1994)	69.7% (Sept. 1999)
	Inflation rate (food)	22.2 (Jan. 1994)	87.2% (Sept. 1999)
	Interest rate (prime)	29% (Jan. 1994)	56.0% (Jan. 1999)
	Exchange rate (Z\$/US\$)	8.06 (Jan. 1994)	38.00* (Oct. 1999)
	Gini coefficient	56.83 (5 th out of 108 countries, 1990)	
Health	Life expectancy at birth	61 years (1991)	44.1 years (1997)
	Contraceptive prevalence	27% (1984)	42%** (1994)
	Fertility rate	6.5 (1984)	4.3 (1994)
	HIV infection (% of sexually active)	20.3% (1996)	25% (est. 1999)
	Crude death rate (per 1,000 pop.)	9.5 (1992)	12.2 (1997)
	Infant mortality (per 1,000 births)	50 (1989)	53 (1994)
	Health expenditure (% of GDP)	3.2 (1995)	1.7 (1997)
Education	Adult literacy	60% (1985)	85% (1994)
	Female		90% (1995)
	Male		80% (1995)

* Informally negotiated exchange rate between the Reserve Bank of Zimbabwe and commercial bankers

** Projected to decrease in the 1999 Demographic and Health Survey

- Sources:
- 1) World Development Report, The World Bank, 1998/99
 - 2) UNDP Human Development Report, 1998
 - 3) Zimbabwe Human Development Report, 1998
 - 4) UNAIDS, 1998
 - 5) Bureau of Census, 1998
 - 6) Demographic and Health Survey, 1994
 - 7) Reserve Bank of Zimbabwe, Monthly and Quarterly Reviews
 - 8) Ministry of Finance, Treasury Monthly Bulletin
 - 9) The Economist Intelligence Unit, 3rd Quarter 1999
 - 10) Central Statistics Office, Government of Zimbabwe

The Strategy

As Zimbabwe moves into the 21st century it is faced with the greatest challenges of its young history. Significant progress has been made in building Zimbabwe into a regional leader and role model. The progress that Zimbabwe experienced post-independence is testament to its ability to lead. Creative and capable Zimbabweans are demanding a greater role in leading Zimbabwe both economically and politically into the next century. USAID has a modest role to play in aiding both the Government of Zimbabwe and civil society to integrate more fully into the global community, to further develop its vast potential, and to do so in terms that make sense for Zimbabwe's complicated social, economic and political equation. USAID/Zimbabwe would like to capitalize on its comparative advantage in several areas to work in partnership with Government and civil society to help Zimbabwe make a successful transition into the next millennium.

A. Mission Goal

The mission revisited the underlying assumptions and strategic framework of the earlier 1997-2003 CSP. It now is clear that this strategy, which depended on increased economic growth which would lead to improved social conditions, was flawed. The assumption that there would be smooth progress toward “graduation” from development assistance has been invalidated. The USAID mission is developing modest ways to assist Zimbabwean citizens and institutions achieve more progressive, participatory, and equitable development.

USAID/Zimbabwe’s new goal is:

“Supporting Zimbabweans’ access to greater and more equitable benefits from their nation’s social, political and economic development.”

B. Strategic Objectives, Results Frameworks and Options

The new mission Goal is supported by two Strategic Objectives (SOs) and one Special Objective (SpO). (Refer to the Results Framework Graphic on page 8.)

STRATEGIC OBJECTIVE: HIV/AIDS Crisis Mitigated

The Problem and USAID's Response

The HIV/AIDS epidemic has propelled Zimbabwe rapidly towards a crisis at both the household and national levels. The statistics portray an alarming situation:

- As of June 1998, UNAIDS estimated 25% of the sexually active adult population to be HIV-infected.
- Over 30% of women attending prenatal clinics in high-density areas of Harare are infected.
- The infant mortality rate increased by 21% and the crude death rate by 28% between 1992 and 1997.
- There are an estimated 500,000 orphans in Zimbabwe.

Shocking as the current situation is, the full impact of the disease has yet to be felt. Given the high prevalence, mortality rates will continue to escalate in coming years. The high death rate will result in even more orphans -- an estimated 910,000 by the year 2005. To become productive adults, these children must be educated, socialized and belong to a community. The costs of institutional care would be exorbitant and, more importantly, institutions cannot provide them the cultural and social orientation needed to become productive citizens. Communities, not institutions, must care for orphans; otherwise, these young people increasingly will become more like internally displaced persons, lacking socialization and productive skills. In the long run, this marginalized group could become a major destabilizing influence on society.

The epidemic is reducing productivity and creating an enormous human and financial burden on the health care, education, and social welfare systems. The crisis point is coming and its potential for political and economic destabilization must be of great concern. Although no one can prevent the crisis, USAID can help Zimbabweans mitigate its impact. Imported approaches are not necessarily the answer as they may be wholly inappropriate in the Zimbabwean context, but there are a number of interventions shown to be effective in mitigating the disease in Zimbabwe and elsewhere. These "best practices" can be adapted to the local context. USAID already is assisting some of these activities and in the next five years, will expand successful interventions and introduce a selected number of new interventions with proven efficacy. One creative intervention, voluntary counseling and testing (VCT) centers, shows promise for possible nationwide expansion, should early models prove successful.

The Strategy

Since 1994, USAID's HIV/AIDS strategy has been to encourage responsible behavior change. The strategy comprised a comprehensive range of communications activities targeting high-risk populations in the commercial farms, the transport industry, the military, and the private sector. Mass media was used to target the general population, while HIV/AIDS education was integrated into various levels of school curricula to reach youth. Over the last few years, the strategy has contributed to universal awareness -- most studies show that at least 98 percent of the general population is aware of HIV/AIDS. The basic assumption underlying the earlier HIV/AIDS strategy was that high levels of knowledge would result in behavior change. This approach has had very limited success.

In 1997, after an analysis of best practices in HIV/AIDS prevention in other African contexts, the mission refocused its efforts. Although some of the original activities will be retained, a new voluntary HIV counseling and testing (VCT) initiative has become the centerpiece of a portfolio designed to promote responsible behavior change.

The strategy identifies three intermediate results that will mitigate the impact of the HIV/AIDS crisis. Since USAID cannot support every necessary intervention, the strategy relies on complementary support from other donors. Behavior change is the key outcome of the first two intermediate results. The first IR will support services that have been shown to contribute to behavior change, and the second will support communication interventions known to contribute to behavior change. The third intermediate result is

new to USAID/Zimbabwe. Its purpose is to strengthen community groups so that they can provide better care and support for orphans and others affected by HIV/AIDS.

Donor Coordination

USAID already works closely with a number of key donors, including the World Bank, the United Nations, the Netherlands and the United Kingdom. Because donor coordination in general has been very weak, USAID intends to be more proactive and will encourage the GOZ to take leadership in coordinating donor assistance. USAID resources are highly leveraged in this arena, particularly in cooperation with the British Department for International Development (DfID) which procures both public-sector and socially-marketed condoms while USAID provides technical assistance for both programs. There are active discussions underway with the EU and Japan to encourage their participation in the procurement of both contraceptives and HIV test kits.

STRATEGIC OBJECTIVE: *Enhanced Citizen Participation in Economic and Political Decision Making*

The Problem and USAID's Response

The lack of effective political and economic dialogue between civil society organizations and the government is a key problem. The strategy pursues longer-term capacity building in both government institutions and CSOs, in order to promote sustainable dialogue and public discourse to address national problems.

In addition to support for civil society, the mission believes it is equally essential to help government institutions develop effective processes for channeling and responding to society's demands to resolve peacefully the critical issues facing the country.

The Strategy

The strategy has two basic elements: strengthening the ability of citizens to make their desires known to government in an effective manner by strengthening the advocacy ability of CSOs; and building the capacity of selected government institutions to respond to public input. Three "intermediate results" constitute an integrated approach to strengthening citizen participation in the decision-making processes that affect their lives.

Intermediate Results

No. 1: Improved Civil Society Organizations' Representation of Citizens' Interests at the National and Local Levels

Enhanced citizen participation in economic and political decision making will depend on a more constructive and effective dialogue between government and CSOs. The CSOs need to advocate more effectively for a role in that decision making process and for the issues they represent. USAID will support CSOs that seek new and better ways to communicate with the government, particularly Parliament, local authorities, and land reform institutions. Assistance will be provided to organizations that advocate on behalf of their constituencies and that also develop institutional mechanisms (e.g., well staffed advocacy offices) to sustain their involvement in government decision-making. USAID will not support political parties, but will support interest groups and other organizations that advocate civic society's issues to their elected representatives, members of Parliament.

- Support a broad range of national CSOs that advocate for and/or represent citizens' interests. Recipient CSOs will initially focus on key issues that are important to their constituents. Resources and socio-political conditions permitting, future support could include: farm workers' conditions of service, the national budget, taxation, human rights (including women's rights), poverty reduction, and the monitoring of the parliamentary (in 2000) and presidential (in 2002) elections.
- Give attention to media organizations whose work improves CSOs' representation of citizens' interests.

- Support grassroots CSOs in order to broaden the program's impact to include local as well as national issues.

No. 2: More Effective and Accessible Selected National Government Institutions

A more effective dialogue between CSOs and the GOZ requires an increased ability of selected government institutions, as well as CSOs, to participate in such dialogue. For example, Parliament or any government institution needs the capacity to listen and incorporate citizens' views into policy and legislative decisions. In the short to medium term, the main focus will be on Parliament and land reform institutions. Other national government institutions and fora such as the Electoral Commission, the Comptroller/Auditor General, the National Economic Consultative Forum, the Ombudsman's Office, and the Tender Board could be included subject to the availability of resources and plans that demonstrate a clear vision of how these organizations could become more effective partners with civil society. Planned activities include:

- Help implement the recommendations of the "Parliamentary Reform Committee Report," focusing on strengthening 1) the committee system, 2) Parliament's capacity to initiate, analyze and amend legislation, and 3) its capacity to create and institutionalize mechanisms through which the citizenry can participate in its proceedings. USAID intends to respond to Parliament's request to secure the technical services of an in-country-based U.S. NGO that can provide targeted support for parliamentary reform.
- Help government institutions dealing with land reform execute a more effective and efficient land reform process.
- Promote more effective dialogue through an "eminent persons" program.

No. 3: Local Authorities More Capable and Open to Local Citizen Input

Effective and autonomous local authorities are a fundamental part of good governance. In addition, their performance is critical to successful government decentralization of social services and infrastructure. Local structures and systems are the building blocks of democracy. The experience gained at the local level allows citizens and communities to represent their own interests. Effective, transparent and accountable local authorities are key to mitigating the impact of the declining social and economic conditions.

- Target municipal authorities with the most promising prospects for establishing municipal finance systems by strengthening management of accounts, competitive tendering procedures and audit. This will help local authorities gain access to private capital to finance infrastructure.
- Enhance capacity of selected Rural District Councils (RDC)s to plan and implement resettlement schemes that are more effective, transparent, participatory and market-oriented and provide viable resettlement models.
- Encourage local authorities to incorporate citizens' views on the use of tax and other revenues through mechanisms such as budget hearings, town forums, etc.

Donor Coordination

Last year, USAID was instrumental in helping to reactivate the Democracy and Governance (D/G) donor partner group. This group now meets every two months.

SPECIAL OBJECTIVE: *Access to Economic Opportunity for Disadvantaged Groups Expanded*

The Problem and USAID's Response

Zimbabwe remains one of the most economically inequitable countries in the world. This extreme imbalance is felt most among the historically disadvantaged segments of the population: small-scale or subsistence farmers and farm workers, women and other minority groups, communal area residents, under- and unemployed youth, informal sector operators, the urban poor and orphans and others affected by HIV/AIDS. Most of these groups, who together constitute the majority of the nation's growing impoverished class (estimated at over 60 percent of the population in 1999), have been suffering as a result of the country's extreme inequity for several generations.

The informal sector is one viable source of income, especially for the poor. Within the current deteriorating environment, exacerbated by the additional burden of the HIV/AIDS epidemic, these disadvantaged Zimbabweans represent a very real potential source of serious social unrest.

USAID will assist the poor through their "coping" groups and associations. When conditions improve, these groups may help facilitate their members' entry into the formal economy. Should the socio-economic situation deteriorate further, this Special Objective (SpO) provides a direct link with those groups USAID would want to help through other programming mechanisms.

The Strategy

USAID proposes to facilitate access to micro-income-generating opportunities by disadvantaged groups in previously unserved areas. This will be accomplished by: strengthening the business capacities of groups; and expanding financial and other services.

The business activities of disadvantaged entrepreneurs are generally so small that their best chance of achieving success will be through association with a collective group with a shared vision. The size of the groups is not as important as the group's ability to achieve a critical mass of activity necessary to sustain a viable business enterprise.

USAID has experience working with individual entrepreneurs in a more favorable economic climate. However, the bulk of the micro-enterprise assistance has been concentrated largely on more accessible urban and peri-urban areas to the relative exclusion of the more disadvantaged. Individuals are less likely to succeed under difficult economic conditions and it is difficult and expensive to work on an individual basis. USAID's new approach is to work with groups and to expand assistance to unserved populations and areas of the country.

Donor Coordination

USAID assistance was instrumental in the formation of the Zimbabwe Association of Micro-Finance Institutions (ZAMFI) which ensures more effective sector cooperation. AusAID, Austria, DfID, CIDA, EU, GTZ, HIVOS, the Netherlands, NORAD, SIDA, UNDP are active partners with USAID. Millions of dollars have been leveraged through this cooperation. Other donors share USAID's view that micro-finance institutions need to expand services from urban to rural areas.

PLACE RESULTS FRAMEWORK GRAPHIC HERE
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D. Linkages to Partners and Donors

Donor Coordination

Historically, donor coordination in Zimbabwe has not been as strong as donors would have liked. However, donor coordination is improving as the economic and political situation has grown more complicated. Informal exchanges and information sharing on activities, issues and views is increasing. Thus, new opportunities exist now given the changing political and economic setting. These include:

- an emerging agreement that donors must coordinate programs and approaches;
- the worsening economic situation and the impending debt crisis means that no donor can afford to conduct "business as usual;" and
- an emerging consensus that uncoordinated interventions will not work and an overall "Action Plan" is needed.

USAID will continue to devote significant effort to enhancing donor coordination. USAID pledges continued support for government and non-governmental initiatives to facilitate donor coordination and we will continue to encourage GOZ leadership in such efforts as a truly successful development plan will depend upon coordination at the central level.

E. Resource Requirements

Based on the earlier decision to end USAID assistance programs in Zimbabwe in 2003, the mission had been in a downsizing mode since 1996. With the 1999 reversal of the decision to leave Zimbabwe, staff levels have now leveled off at approximately 11 American and up to 57 Zimbabwean staff.

The decision to remain in Zimbabwe has prompted a fourfold increase in the planned 1999 resource level, and the budget level for FY 2000 is now approximately US\$13 million. Provisional approval from Washington commits to approximately the same annual level for each year of the planning period, through 2005. We assume that this level could increase should Zimbabwe's structural adjustment and development plan advance during 2000 and 2001.

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